

ANNUAL REPORT FOR

FY 2015 - 2016



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Town of North Stonington Annual Report 2015-2016

Forward

The Connecticut General Statutes requires that the Board of Finance create an Annual Report covering the previous fiscal year.

Information is solicited from each department for inclusion in said report, along with financial statements related to the audit.

On September 22, 2016 a request was sent to both the 1st Selectman and Board of Education Chairman requesting input from a total of twenty six (26) separate departments.

On November 4, 2016 another request was sent to the Selectmen's office requesting input from fifteen (15) entities which had failed to provide submittals.

On November 30, 2016 the Board of Finance approved the draft audit report.

On December 21, 2016 the Board of Finance approved the draft annual report with information provided. (As of December 21, 2016, fourteen (14) departments had not provided information related to their activities during the 2015/2016 fiscal year.)

This report includes the submittals received along with blank pages, with headers, for those groups lacking input.

Also, a special thank you is extended to the Wheeler High School Print Shop for their assistance in the printing of this report.

Town of North Stonington Annual Report 2015-2016

Board of Finance

Board Members

Tim Main II, Chairman

Charles Steinhart IV, Vice Chairman

Emile Pavlovics

Tim Pelland, Secretary

Mustapha Ratib

Carolyn Howell

Bob Testa (Alternate)

Chris Hundt (Alternate)

During the fiscal year of 2015/2016 the Board of Finance met 30 times.

The Board that exists now consists of an extremely diverse group of people with very different life and work experience and knowledge and point of views, which has been extremely beneficial to representing the wants and needs of our community as a whole.

This past year has been particularly challenging on a lot of levels. Because of the economic climate in our State causing budget cuts and uncertainty, coupled with our Town's need to modernize our School's and Fire/EMS physical buildings and the need to keep North Stonington affordable for our diverse population, which consists of young adults and families just starting out, to a growing, ageing population on fixed incomes and everything in between, we have had to find a way to work with other Boards and Departments in an effort to control spending, while not affecting the level of services our community has come to appreciate and expect.

During this past year we participated in the Tri-Board Meetings, which involved the Board of Selectmen, the Board of Finance, the Board of Education and the public. These Tri-Board Meetings were a conduit for open lines of communications between boards and the public and resulted in positive outcomes for the School Modernization Project among other things.

The Board of Finance also began to put together a twenty year plan to be able to follow and track the known needs for Capital Expenditures for the Town of North Stonington School System, Fire/EMS and Highway Departments, in an effort to be able to spread the costs evenly over time, in an effort to keep taxes stable, with minimal increases if needed, and being proactive rather than working in a reactive way to crisis management when equipment breaks or fails.

Also during this past year, the Board of Finance implemented use of a form to request and track approved transfers between budget line items in order to have an easy way for us and the public to see where money has been shifted and spent/reduced within the approved budget for that fiscal year. This will also help when looking back on historical information if it is needed for discussion and consideration in future budgets.

Town of North Stonington Annual Report 2015-2016

Board of Finance

We attempted to personally meet with most departments who had stakes in the Budget due to their spending needs. Meeting directly with these stakeholders not only keeps the lines of communication open, it allows for open and efficient discussions to fully understand the ramifications cuts or underfunding may have on their ability to function and perform the duties that they have been tasked to do.

Unfortunately, many departments did not appear before us for these discussions and the differing views of our Board of Finance and the Board of Selectmen resulted in a failure to have an approved Budget for the Fiscal Year 2016/2017, even as this report is being written.

We have been working towards our Town Auditor's recommendation in growing the Undesignated Fund not only to keep our credit rating good so that we are able to obtain the lowest interest rates when borrowing, but that if for some unforeseen natural disaster was to occur, that our town would be able to continue to function as it should.

It is our hope that by building on the working relationships we have established/re-established with the various boards and departments, and keeping open lines of communication and improving communication by having information posted to the Town Website in a timely manner, that we will avoid this type of problem in the future.

It is our hope that with the new year, that the Town's investment in the School facilities and Emergency Services, along with home sales and other economic development that our town will see a growth in revenues coming from areas other than just the homeowners and allow for a more stable and prosperous local economy that is affordable for all.

Board of Selectmen

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

Board of Education Members

Robert Carlson – Chairman

Christine Wagner – Vice Chair

Walt Mathwich – Secretary

Julia Buzzee

Alex Karpinski

David McCord

Philip Mendolia

Darren Robert

Administration

Central Office

Peter L. Nero – Superintendent

Sue Costa- Special Services Director

Wheeler Middle/High School

Kristen St. Germain – Principal

Ryan Chaney – Associate Principal

North Stonington Elementary School Veronica O. Wilkison – Principal

Introduction:

The Board of Education's Annual Report will read remarkably different from previous reports. This report will delineate dramatic changes in education due to newly instituted laws and regulations at the state and federal level. It will also demonstrate the dedication of the members of the district who are committed to academic excellence. With that stated, the Board of Education (BOE) and school district administration want to thank the Town of North Stonington and its citizenry for its commitment to the education of its children.

We also would like to thank the North Stonington Parent Teacher Organization and the North Stonington Education Foundation who in addition to donating their time and energies to North Stonington Public Schools, also raise and donate thousands of dollars annually to support a wide variety of activities for students and staff as well as innovative programs normally not funded through the annual budget.

A quote that is used by the Superintendent and BOE in its annual budget presentation states:

"We Believe, that is, you and I, that education is not an expense. We believe that it is an investment."

-Lyndon B. Johnson, 36th President, October 16, 1968

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

The Annual Report:

The 2015-2016 school year was hugely successful which culminated in June with the traditional graduation on the Wheeler Library lawn. In addition, a number of award ceremonies were held at the elementary and middle/high school. Beyond the outstanding academic success of our student body on standardized tests and in the classroom, our students continue to excel in the performing arts, where their learning and talents were demonstrated at musical events, theatrical performances and at art exhibits. Our students also excelled in the gymnasium and on the athletic fields.

Beyond the talents of our students, which were evident through the aforementioned, as always, they gave of their valuable personal time volunteering at school and in the community, which makes us most proud. They exemplify and embody our town's motto which can be found when one crosses the border into town, "*We Appreciate Our Volunteers.*"

Major Mandated Educational Initiatives:

The No Child Left Behind Act played a significant role in education nationally for several years. NCLB as it was known carried with it many mandates that impacted North Stonington Public Schools as well as the rest of the state and nation.

NCLB has now been replaced with the ***Every Student Succeeds Act*** (ESSA). Like its predecessor, ESSA was a federal, bipartisan supported act which was signed into law by President Obama in 2015.

On the state level, in June of 2012 the Connecticut Legislature passed into law sweeping educational reform initiatives, including a new teacher evaluation instrument. The North Stonington Teacher Evaluation/Professional Development Committee meets periodically throughout the year and the district is in the third year of fully implementing the *SEED: System for Educator Evaluation and Development*, evaluation instrument. The SEED evaluation instrument will eventually tie student performance directly to teacher evaluations.

As a result of the new education initiatives, we no longer measure what we had come to know as Adequate Yearly Progress (AYP). AYP was used to measure the aggregate of a class or a school's total annual performance. The focus now is on individual student growth. In order to prepare our teachers for the successful institution of the new initiatives, the district invested a lot of resources into Professional Development (PD) to train staff. Some of the funding was made possible from our general fund with a major portion being paid through our Title II grant.

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

North Stonington Public Schools are safe, and student-centered, where teachers and students clearly want to be. Students are challenged by their teachers and the instructional methodology is diversified for all ability levels and learning styles. While test scores can sometimes be complicated to interpret for many, feel free to connect to the Connecticut State Department of Education's website (<http://www.sde.ct.gov/sde/site/default.asp>) where you can compare our test scores to all other Connecticut school districts.

It is important to understand that the standards to which our students are taught and tested have changed over the last three years. The state has converted to the nationally known Common Core Standards, referred to in our state as the Connecticut State Standards (CSS). As stated earlier, the district has prepared teachers well for this conversion providing PD beginning in 2012-2013, and it still continues under the direction of our district-wide Teacher Evaluation/Professional Development Committee which is comprised of teachers and administrators.

In addition to the conversion to the CSS, in 2013-2014, the test changed. While there is still some testing in the former CMT/CAPT for grades 5, 8, and 10 in science, all English Language Arts (ELA) and Math assessments are administered through the *Smarter Balanced Assessment Consortium* (SBAC).

Another major change is the method in which the test is administered. The test has changed from the traditional paper and pencil test to our students now being tested online using computers. Our Director of Information Technology/MIS/Security has also been involved in the conversion to the SBAC test, as all our buildings had extensive upgrades in instructional technology and to the internet system. Internet access for all our buildings are now on a wireless internet system and all of the recommendations in the district's Technology Plan have been instituted.

Please keep in mind as you peruse through the Annual Report and our standardized test scores, while the results are excellent, they are just one of several indicators used to measure a child, teacher, or school's performance. One only has to walk through the corridors of any one of our schools to sense the warm and nurturing environment that exists and the wonderful relationships between our students, teachers and administrators to realize the high level of education taking place.

In an effort to provide all our students with every opportunity to achieve success in the CSS, the budgets developed over the last four years have included funding for the necessary resources. Some of the resources have included, but were not limited to, new up-to-date printed/text materials, computer hardware and software and online programs. Personnel have been added as well to include specialists in math and literacy. The specialists teach in our elementary and middle/high school. The positions have provided individual, intensive instruction to those students identified with particular needs.

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

They also provide small group and whole-classroom instruction which is beneficial to all our students. Most importantly, our specialists, through ongoing PD, provide model lessons as they work with teachers and students in the classrooms.

Technology in the Classrooms & School Security:

Changing from the traditional paper and pencil standardized assessment to a computerized, online assessment required some retooling. The district has invested a great deal of resources in computer hardware and software and human capital. Funding was paid through the district's general fund and taking advantage of and applying for state and federal grants.

Over the last three years, North Stonington Public Schools has received approximately \$240,000.00 in state and federal grant funds to purchase a variety of technology. Nearly 42% or, \$100,800.00 has been reimbursed to the town. With the addition of supplemental grant funds, we were able to purchase 155 laptop computers and peripheral devices which were necessary for the standardized testing. Those computers are also used to deliver instruction to students in classrooms throughout the school year.

Recently, the district was awarded another technology grant to upgrade and install new fiber optic cables. The new fiber optic cable will allow the district to bifurcate from our present fiber optic cable. The old fiber optic cable will be used for administrative services only. The new fiber optic cable will be used only for instructional online teaching and learning where internet speed is vital.

In order to provide and insure safe internet access and use by students and staff, the BOE developed and adopted a Bring Your Own Device (BYOD) policy. The BYOD policy provides regulations and guidelines for all to follow.

One of our most important investments made by the district in technology was to upgrade security throughout the district. As a result of funding that we secured through a federal grant, facilitated by the State of Connecticut, the district was able to purchase \$103,000 in improvements to our security system. The new security measures are state-of-the-art. The system has all the same features and qualities that are installed in new or recently renovated schools. All of our doors are now magnetically locked 24 hours per day. At the elementary schools, all our faculty and staff have security badges with key fobs. When the fob is scanned at the point of entry, the door will unlock for the staff member to enter the building then relock.

At Wheeler, in addition to security badges and key fobs for our staff, all of our students have personalized badges and key fobs. Student key fobs are necessary as students travel back and forth between the main building and gymnasium. Student key fobs are programmed to operate specific times during the school day.

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

A new video/camera surveillance software system has been installed. We have also added additional surveillance cameras at the main entrances of our buildings as well as throughout all our buildings and on our properties. In the last five years the district has grown from 6 security cameras to 70 security cameras.

Finally, all buildings have been installed with the Raptor Visitor Management System®. The Raptor system allows for the main office staff to scan any visitor license/ID prior to the visitor attending meetings. The Raptor system scans ID's and matches the person to a *national sex offender's database*. It also determines if the visitor has been involved in any criminal activity that may warrant non-entry into our schools. The Raptor system is updated weekly. All the new security measures along with the new Volunteer Policy passed by the Board of Education, has helped to make our schools significantly safer. Again, a major portion of the expense of the added security was made possible due to grant funding

School Modernization Project:

After several years, the residents and voters of the Town of North Stonington, by way of a referendum, approved a resolution to modernize all North Stonington Public School buildings. The vote to approve spending \$38.55 million for the project occurred in May, 2016. After reimbursement by the state, the total cost to the town for the entire project will be \$ \$21.68 million. On June 25th, the administration filed all necessary applications in Hartford with the Department of Administrative Services.

As of the printing of this report, the State Department of Administrative Services has approved the applications of the building projects and will now forward them to the legislature. The Building Committee, under the direction of the Board of Selectmen, has selected an architect and construction manager and has begun site work. Groundbreaking for the project is scheduled to begin on July 1, 2017.

Facilities and NEASC Accreditation:

The New England Association of Schools and Colleges (NEASC) visiting team conducted its decennial visit/evaluation of Wheeler Middle/High School in the fall of 2014. While the report by the visiting team was excellent, Wheeler's accreditation status continues to remain on "warning." The two NEASC standards that are at issue are facilities and curriculum. The most important standard that the BOE has been addressing for the last eight years is the facilities standard. The facilities standard impacts on curriculum as the facilities do not meet the NEASC standard to deliver instruction which similarly affects curriculum.

While it is wonderful that we have a building project, generally NEASC will not remove a warning status until the project is complete and a Certificate of Occupancy has been issued by the town. In the meantime the Wheeler administration and staff submitted the required two-year report in October.

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

Mandated Standardized State Testing

North Stonington Elementary School:

In the spring of 2013-2014, the state ended the CMT test for English Language Arts (ELA) and Math in grades 3-5. Instead, the CSDE piloted the new Smarter Balanced Assessment Consortium (SBAC) test for both subjects. The science assessment, for the time being, continues to be administered through the CMT for 5th graders. The Smarter Balanced assessments measures student progress based on the standards, or learning expectations, for Grades 3-8 in English language arts (ELA) and mathematics. The scores are used as a ruler to measure the skills acquired throughout the school year. The second test given in the spring of 2016 will provide information about achievement in the current grade and growth from year to year. More importantly the results on the SBAC provides the schools and educators the direction to improve instruction and learning for our students.

Below are the achievement scores for grades three through five for the past two years the test was administered:

SBAC Percentage of Students in Grades 3 – 5 At/Above Goal

Grade	ELA- 2015	ELA- 2016	MATH- 2015	MATH- 2016
	% goal or above	% goal or above	% goal or above	% goal or above
3	88%	88.5%	92%	98.4%
4	85%	83.0%	92%	91.5%
5	73%	94.6%	53%	87.5%

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

Ranking of North Stonington Elementary School Compared to the 187 Districts/Schools reported:

Where NSES Ranks Statewide on the SBAC

Town	English Language Arts		
	Grade 3	Grade 4	Grade 5
North Stonington	Ranked 2nd in state	Ranked 14th in state	Ranked 2nd in state

Where NSES Ranks Statewide SBAC

Town	Math		
	Grade 3	Grade 4	Grade 5
North Stonington	Ranked 1st in state	Ranked 2nd in state	Ranked 1st in state

CT Mastery Test (CMT) - Science

The State of Connecticut administered the CMT Science assessment in March of 2016. It assesses students' understanding of important scientific concepts in the areas of life, physical, and earth science as well as their ability to apply these concepts to realistic problems. In addition, there is a major focus on experimentation skills and using scientific reasoning to solve problems.

The following areas of scientific knowledge are assessed:

- Life Science- ecosystems, cells; genetics and evolution; and human biology.
- Physical Science- structure of matter; reactions and interactions; forces and motion; energy sources and transformation.
- Earth/Space Science- astronomy; earth's natural resources; meteorology; earth history and dynamics.

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

The Science CMTs are scored in five levels. The 55 North Stonington Elementary 5th grade students' scores are given below:

Advanced:	58%
Goal:	35%
Proficient:	7% (2 students)
Basic:	0%
Below Basic:	0%

We are proud that at North Stonington Elementary School 93% of the 5th grade students achieved at the goal or advanced level!

Wheeler Middle/High School:

Similar to the elementary school, last year the state also ended the CMT test for grades 6-8 and the CAPT test for grade 11 in English Language Arts (ELA) and Math. Instead, the CSDE piloted the new Smarter Balanced Assessment Consortium (SBAC) test for both subjects. In science, the CMT assessment was administered to students in grade 8 and the CAPT assessment was administered to grade 11.

After the pilot year, the CSDE decided to eliminate the SBAC test for 11th graders and substituted it with the more traditional Scholastic Aptitude Test (SAT). The SAT is a required test of ALL 11th graders and is an assessment that most colleges use as part of its admission criteria. The SAT is a more practical way of evaluating 11th grade students.

The SBAC test is used to measure student progress based on the standards, or learning expectations, for Grades 3-8 in ELA and Math. The scores are used as a ruler to measure the skills acquired throughout the school year. The second test will provide information about achievement in the current grade and growth from year to year. More importantly the results on the SBAC provides the schools and educators the direction to improve instruction and learning for our students.

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

Listed are the achievement scores for grade six through eight for the past two years the test was administered:

SBAC Percentage of Students At/Above Goal

Grade	ELA-2015	ELA-2016	MATH-2015	MATH-2016
	% goal or above	% goal or above	% goal or above	% goal or above
6	56.7%	65.6%	36.7%	43.3%
7	73.1%	73.1%	46.2%	53.9%
8	43.8%	n/a	22.9%	n/a

The State administered the CMT Science assessment in the spring. It assesses students' understanding of important scientific concepts in the areas of life, physical, and earth science as well as their ability to apply these concepts to realistic problems. In addition, there is a major focus on experimentation skills and using scientific reasoning to solve problems.

Prior to 2015, the Connecticut Academic Performance Test (CAPT) was the standard assessment administered to students in Grade 10. Students were assessed in the content areas of reading, mathematics and writing. Today, students in Grade 10 continue to be assessed only with the CAPT Science. The CAPT provides information about achievement that is used for many purposes including:

Establishing high performance standards for all Grade 10 students on a comprehensive range of important skills and knowledge:

- Emphasizing the application and integration of skills and knowledge in realistic contexts;
- Promoting better instruction and curriculum by providing information on student, school, and district strengths and weaknesses; and
- Providing an expanded measure of accountability for Connecticut's educational system at the high school level.

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

Both of these tests include a combination of multiple-choice and short-answer questions, which may require students to create diagrams or graphs.

Percentage of Students Scoring at At/Above Goal

CMT/CAPT - Spring 2016

Test	Grade	2015	2016
Science CMT	8	81.3	82.7
Science CAPT	10	91.1	60.9

*Please understand that this is not a cohort comparison. These are two different sets of students taking this exam as it does not occur every year. Wheeler 8th and 10th graders score well above the State average on both tests.

Percentage of Students Meeting or Exceeding Goal SAT – Spring- 2016

Test	Grade	Wheeler
ELA	11	76.4
Math	11	56.4

Students at Wheeler outscored the majority of their neighboring school districts in both ELA and Math. In a comparison of 15 schools that we neighbor, compete against in sports and academics, are in our DRG, or have similar demographics, Wheeler High School scored the second highest in ELA and tied for the second highest score in mathematics! As was stated earlier, the SAT, besides grades and class rank, is one of the most important factors used by college and university admissions when evaluating transcripts.

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

We continue to offer Advanced Placement (AP) testing for those students enrolled in our AP classes. We offer classes in AP Calculus, Statistics, English, Biology, and World History as well as other student-selected AP classes through the Virtual High School, BYU online and Keystone Academy. Wheeler also offers a wide variety of ECE (Early College Experience) courses for students including English, US History, Calculus, Spanish, and French.

Other Assessments

At the elementary school, STAR Renaissance Learning universal screenings are performed three times a year in both math and English language arts. The results guide teacher instruction to meet individual needs of the students.

Beginning in kindergarten, students are taught to write all genres and are assessed based on state rubrics. Also, various reading assessments such as the DRA (Developmental Reading Assessment), Benchmark Fluency, Development Spelling Assessment, and Core Phonics are given depending on grade levels. Formative assessments are utilized in all subject areas to determine student need for additional instruction.

Students in grades 6-10 are also given a Performance Series Assessment in Math and Reading twice a year. This is an in-house assessment used to measure and track gains and losses students experience while at Wheeler each year. We also test our students who received reading and math interventions in January as well to ensure they are making appropriate progress.

At the high school, mid-year and final exams are administered to students in grades 8 - 12 in January and in June. ALL courses were required to give examinations.

All 6th, 7th and 8th graders also take an algebra readiness exam to place them in an appropriate math placement each year. These same students are also administered a reading assessment, a written comprehension and fluency assessments from the QRI-5. Our literacy specialist administers this test each year to determine yearly reading progress. They are also given a vocabulary and maze (which measures comprehension during silent reading) assessment which comes from the CORE (Consortium on Reading Excellence).

All students in grades 8-10 are given the PSAT (Preliminary Scholastic Aptitude Test). All students are encouraged to take the SAT (Scholastic Aptitude Test). Wheeler is a testing site for the PSAT's and SAT's.

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

Summer School Program:

Our summer school program for students continued in 2016. Summer school was offered at the elementary level for students from Pre-K to those students leaving grade 5 and attending middle school in the fall. Class sizes remain relatively small, thus allowing summer school teachers to devote extra attention and time to students in attendance. This was the sixteenth year of the program which focuses on language arts and math and runs for four weeks each summer at no cost to the student. Transportation is provided for special education students.

Special Education

Prevalence Rates

Year	%	DRG	State
2014-15	8.7	12.9	13.0
2015-16	8.6	NA	NA

*Prevalence rates continue to be significantly lower than the State and DRG.

*The disability category

Based on the required annual reporting to the Connecticut State Department of Education on the State Performance Indicators (SSP) under IDEA section 616(b)(2)(C)(ii)(1)., the data submitted for 2011-2012 indicates that North Stonington has met or exceeded the state wide target requirements for the following indicators:

1. Increase Graduation Rate with a Standard H.S. Diploma (2011-12)
2. Decrease H.S. Dropout Rate (2011-12)
5. Increase Placement and Time with Nondisabled Peers (TWNDP)
6. Increased Time in Early Childhood Educational Environments
9. Eliminate Disproportionate Representation as a Result of Inappropriate Identification
10. Eliminate Disproportionate Representation by Disability as a Result of Inappropriate Identification
11. Determine Eligibility in Accordance with State Established Timelines
12. Transition: IEPs by Age 3
13. Develop Transitions Goals and Services
15. General Supervision/Noncompliance corrected within 1 year
20. Timely and Accurate Reporting

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

Indicator 4 data demonstrates substantial compliance in decreasing the 10+ days out-of-school suspension rate (OSS) and continues to meet the target for eliminating the significant discrepancy in 10+ days OSS suspension rates.

Indicator 5, “increase placement and time with nondisabled peers (TWNDP)”, demonstrates that 86.96% of our special education students are in the general education setting 80% of the time or greater which is significantly above the State target of 70%.

Indicator 6, “increase time in early childhood educational environments”, indicates that 100% of special education students are in regular early childhood placements, which is above the State target of 72%.

- Full Annual Performance Report can be accessed
- The North Stonington Public Schools Special Education Programmatic & Fiscal Audit can be found on the district website

North Stonington Elementary School Accomplishments:

North Stonington Elementary School Mission-

In a partnership with family, school, and community our mission is to educate, challenge and inspire each individual to excel as lifelong learners and to reach their highest potential as they aspire to become responsible, respectful and honest members of society.

All instruction at North Stonington Elementary School is aligned with the CT Core Standards (CCS). Instructional shifts have been made for both English Language Arts (ELA) and Math.

(Please see complete list of accomplishments at <http://www.northstonington.k12.ct.us/>)

The instructional shifts (expectations) in ELA are below:

- Build knowledge through content rich nonfiction text.
- Reading, writing, and speaking is grounded in evidence from text, both literary and informational.
- Continual instruction and student work with complex text and academic language.

The instructional shifts (expectations) in math are below:

- Greater focus on fewer topics in each grade level.
- Coherence: Linking topics and thinking across grades.
- Rigor: Pursue conceptual understanding, procedural skills and fluency, and application with equal intensity.

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

Through implementation of the CT Core Standards and aligned instructional material, continually striving to improve instruction, providing interventions daily through small group and individual instruction, the 3rd, 4th and 5th grade students scored at the top of the CT school districts on the SBAC test.

- Instruction at the elementary school continually meets the needs of our students with high quality planning, instruction, and assessment in all academic areas to ensure students are learning at their appropriate level as well as developing emotional and social skills.
- Programs in reading and math strive to meet the needs of every child. All grade levels implemented the Daily Five program which supports small group instruction and encourages independence in learning.
- The remedial reading curriculum includes a variety of programs to meet the needs of our students such as:
 - Foundations for phonics and spelling instruction
 - Wilson Reading Program
 - Read Live Fluency Program
 - Lexia Technology Reading Program
 - Remedial Comprehension Instruction
- The Positive Behavioral Intervention and Support (PBIS) program which was implemented in 2010 continues to systematically teach students what appropriate behavior looks like and recognize students who demonstrate the school-wide expectations. Data has shown that behavior choices of our students continually improve.
 - The Student Assistance Team (SAT) process utilizes the state mandated Scientific Research Based Intervention (SRBI) model to provide teachers and students with support at the first indication of difficulties academically or behaviorally. Regular education and special education staff worked together to better support instruction, modification of expectations, and student learning.
- Each year the CHET program for college savings ask students to either draw or write an essay about what they will do after college. NSES was recognized as the school with greatest participation in New London County and was awarded \$500.
- Seventy students involved in our Marathon Club finished their last mile at the annual North Stonington Education Foundation Run.
- The NSPTO continues to sponsor cultural programs for our students as well as the Artist in Residence program, PTO Movie Nights, Fall student pictures, two book fairs, support for field trips, teachers' grants and much more.
- We are extremely grateful to the parents, guardians, grandparents, the NSPTO, the NSEF, and all community members who continue to volunteer in the classrooms and support our school.

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

Wheeler Middle/High School Accomplishments:

The mission of Wheeler High School/Wheeler Middle School-

In partnership with families and community, is to provide students with the education that will best help them to live a life of accomplishment and satisfaction in a complex and changing world.

(Please see complete list of accomplishments at <http://www.northstonington.k12.ct.us/>)

- Wheeler continues to provide programs for our students on the dangers of substance abuse as well as internet safety presentations. Last year, all grade 7-11 students participated in the Southeastern Regional Action Council survey about drugs, alcohol and other mental health issues. Results from this valuable survey were shared with our staff and community. We will survey our students again in 2018 to monitor our continued intervention work in these areas.
- Our Counseling Department continued the tradition of preparing students for the various experiences at and beyond Wheeler, such as: transition activities to the parents and students moving from Grade 5 to Grade 6, and from Grade 8 to Grade 9. Financial aid evenings were held to help educate our parents and students about paying for college in a difficult economic climate. They have also held “Coffee with the Counselors” for parents to meet in an informal setting to discuss college and career topics relevant to juniors and seniors.
- The Wheeler school counselors and support services personnel offer classes to help support our middle school and high school students in areas such as study skills. They also teach developmental guidance lessons in our middle school classrooms as well as work with juniors and seniors to help them navigate Common App and other important initiatives such as their SSPs.
 - Wheeler’s Peer Mentoring Program matches high school students with younger students in grades 3-8, with the purpose of helping with school work and serving as role models. Some of the mentors work individually with students; others volunteer in a whole classroom, and others do both. The selection process for a student to become a mentor includes an application, recommendations, and an interview with members of the counseling department. Once selected, mentors are trained by the counseling department with training sessions, focusing on mentoring skills and responsibilities. After successfully completing the training, the mentor/tutor will be matched with a student and weekly meetings will begin. These meetings will take place during lunch, study hall, or after school throughout the remainder of the year.
- Families of students in grades 3-8 who wish to have their children matched with a mentor provide permission to the social worker at the elementary school or the counseling department at the middle school.
- The Renaissance Program (PBIS) continues at the middle school level and it continues to receive positive responses from both families and the press. Each quarter students who qualify participate in events that celebrate their hard work academically and socially. Last year’s events included trips to a local ice rink and our local rec center. Other programs included in-house celebrations where students competed or participated in games and activities.

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

- Parents, students and teachers, are offered the opportunity to complete a variety of surveys that provide feedback to help us improve our practices at Wheeler. This past year, our dress code policy was updated through a shared collaboration from all parties listed above.
- As part of our continued health awareness, the Wheeler Food Committee, made up of students, health teacher, superintendent, business manager, and the food service provider, Aramark, met four times per year to discuss the nutrition and food choices that Aramark provides. Since the committee has formed, the food has improved by having fresh fruits and veggies instead of canned. They have looked at farm-to-table for some of these veggies and fruits from local farms. Through this committee, some menu items were eliminated because students explained that they were not popular items because of the food choices. The students wanted more options, so a Panini maker was added and are served twice a week as well as a build-your-own sandwich bar, twice a month. Salads are also now available every day.
- CPR/First-Aid/AED training was given to all 9th and 11th grade students through their health classes. These students go through the training to learn the basic skills to be able to help someone in need. Wheeler staff members continue to provide this training to coaches within our Wheeler community on a yearly basis.
- Throughout the year, Wheeler students participated in ALLI field trips. 'ALLI' stands for Adolescent Learning and Leadership Institute. Many students from Wheeler High School work with students from surrounding high schools (Stonington, Ledyard, Waterford, NFA, Montville, Bacon Academy, and Griswold) to be educated on ways to avoid drugs and alcohol in their lives. These students act as school leaders and bring back important information to their peers and school.
- Wheeler High School students participated in a prom-readiness program involving local officers. Students met with first responders about the dangers of drunk driving. They also participated in simulated activities that showed them the risks associated with drinking and/or using drugs.
- All Wheeler students participated in two assemblies that promoted safe social media and internet use. Our PTO also sponsored a program for parents in the evening that allowed them to educate themselves on some of the dangerous apps and sites that are available to our students.
- The school successfully navigated a NEASC visit in 2014. The school's accreditation was reinstated and the school recently submitted its Two-Year Progress report to NEASC this past October.
- Wheeler High School ranked high in the State of Connecticut's new Accountability Index with a score of 88.2%. Wheeler ranked well above other schools within the ECC as well as within their overall DRG.
- New courses were developed to better meet the needs of all of the students; many of which centered on the UCONN/ECE program which allowed Wheeler students the opportunity to earn transferable college credit. Other courses added were transition courses: Freshmen 101 and Writing and Communication for the Real World. We also offered for the first time, an Agri-Science elective at Wheeler. This has allowed us to reestablish our greenhouse and begin to build a potential Agri-Science program or possible Farm-to-Table program at Wheeler in the future.

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

- 39 students took the AP exams last year. 78 total exams were taken in all and 82% of those exams taken earned college credit.
- On last year's new version of the SAT, our average score in ELA was 548 and in Math our average score was 538. Wheeler ranked second in comparison to other ECC schools in the area. Wheeler students also tested well above the National Norms for college readiness in College English Composition, College Algebra, College Social Science and College Biology. More than half of our students taking the ACT exam met the benchmark in all four areas.
- All students in grades 6-8 took the SBAC test in reading and math. Our 8th and 10th graders also took the CMT/CAPT tests in Science. Our juniors took the new SAT. Overall, Wheeler students continue to show gains in reading and math on their SBAC tests. Our CMT/CAPT scores also continue to rise in the area of Science and our current senior class outscored all but one local high school in our area on the new SAT last year.
- The Senior Project continues to match up high school seniors with members of the North Stonington and neighboring communities. This capstone project allows students to practice and fine tune their 21st century presentation skills, as each senior presents on a chosen topic of interest. Last year we had students learn to scuba dive, participate in marathons, and artificially inseminate animals to reproduce, as well as explore careers in the areas of physical therapy, nursing, teaching and social work.
- The Wheeler debate team competed in the Great Debate, a state-wide competition and came in second place this past school year. They have also expanded their competition platform and compete against schools in the ECC to prepare for this important competition.
- Wheeler students participated in the Apprentice Challenge and compete against neighboring schools to create a business plan for a local business. Wheeler High School business students have won the championship for two consecutive years. This and the Money Madness trip allow our students to practice their personal finance skills as well as their business skills in a real-world platform.
- Middle School literacy students organized an annual tribute to our local veterans and emcee the program to reinforce important literacy skills. This past year they also added a special Memorial Day tribute where they invited in local veterans to be honored by our staff and students. They also presented citizenship awards to students of Wheeler Middle and High School who demonstrate leadership and were voted on by the faculty. Several middle-school students entered the essay contests sponsored by the local VFW on various topics including patriotism and the flag. These students shared their essays at our Memorial Day and Flag Day programs.
- To celebrate our summer reading last year, we invited World War II Veteran and POW, Mr. Keutman, to share with the middle school students about his experiences. His presentation went perfectly with the book *Unbroken* that many students read over the summer. For students that read *Malala*, we organized a field trip to go see the movie, "He Named Me Malala."

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

This was a great opportunity for our students to learn about this remarkable young woman while celebrating their successes as readers. Last year Wheeler had 80% participation in this summer reading program with 137 students participating and reading over 932 books.

- In January, our school media specialist and our middle school literacy specialist hosted our annual "Middle Ground Book Club" for students and adults. We read "The Finest Hours" with an amazing group of students and parents and then went to see the movie as soon as it was released. As always, there were rich conversations about the differences between the book and the movie and which one students preferred.
- Our Middle School and High School literacy coaches hold book clubs for students in grades 6-12. These book clubs are voluntary and students meet during their lunch waves to participate.
- The Wheeler High School Print Shop prints a variety of mailings and flyers for local businesses and has printed various items for town-wide distribution and community groups. Our print shop is also responsible for the printing of the North Stonington Quarterly each season. The print shop also has a 3D printer, which allows our students interested in engineering opportunities to design prototypes and eventually bring them to fruition. Wheeler still participates in the Perkins program and has received a variety of technology to supplement and increase participation in our CTE programs.
- Wheeler students and faculty donated food, canned goods, etc. to Mrs. Costanza to be donated to local families for the holiday seasons. They continue to donate holiday baskets as well as gift cards to local supermarkets. Our high school students continue to volunteer at the Old Lyme Food pantry where they serve a hot meal to local patrons and help downstairs in the food pantry on a monthly basis.
- Over the last year, the High School Band added several new events, with performances at The Dunkin Donuts Center in Providence, the annual North Stonington Tree Lighting, the North Stonington Festival and the Wheeler Arts Symposium. 33 students from grades 9-12 marched in the annual North Stonington Memorial Day Parade.
- One of our Wheeler music students composed an original score for our school drama production, A Christmas Carol. His music was performed by students and faculty. This year, students have the opportunity to perform in the pit orchestra for our full-length musical version of Cinderella.
- The Wheeler Music Program earned gold medals across the board for its performances at the Great East Festival in May of 2016. Each year, the 7th/8th Band & Chorus and the HS Band & Chorus prepare a program for adjudication. They receive scores, comments, and a brief clinic from judges. All four Wheeler ensembles were awarded gold medals.
- Two students were nominated for accomplishments in the areas of Art and Music and were honored at the AquaTurf in Southington, sponsored by the Connecticut Association of Schools.

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

- The High School Concert Band and Choir provided some of the ceremony music on June 19th for senior graduation along with about 20 Wheeler alumni in the second annual alumni band.
- Last year, seven middle school students were accepted into the Eastern Region Music Festival, a regional honors festival where top students from the region performed advanced repertoire under renowned conductors.
- Two high school students were accepted into the Eastern Region Music Festival, a regional honors festival where top students from the region performed advanced repertoire under renowned conductors at the UConn music facility. One student went on to audition at the all-state level.
- Our high school band and chorus performed at the Providence Bruins for thousands of fans, including many from the North Stonington community in cooperation with the NSPTO. Our high school band and chorus performed at the North Stonington Tree Lighting community event
- Our grade 7/8 and high school choruses and bands participated in the Great East Festival, an adjudicated music festival. The groups performed a broad range of repertoire for the judges, including historical and multicultural works. Each group earned a Gold rating.
- The Music Boosters provided a scholarship which enabled one high school student to study music intensively over the summer at Drexel University.
- Lily Grant, a Connecticut music educator who grew up in Hong Kong, visited Wheeler music students in May last year, courtesy of the North Stonington PTO. Ms. Grant composes and arranges pieces from her Chinese heritage. Each of our high school and middle school choruses prepared a piece by Lily Grant. Ms. Grant heard our students perform, worked with the students, and then added authentic Chinese percussion and stringed pipa to the performance. Our high school students had lunch with Ms. Grant, sponsored by the Wheeler Music Boosters, and discussed her cultural heritage and the career path of music composition. The students had a great time learning from Ms. Grant as we learned her music, and even more when we got to meet her in person!
- Last school year there were several notable student artistic achievements. One of our seniors held a solo show of her outstanding artwork, featuring charcoals and collages at a Mystic Coffee house for the months of April and May. This same senior received recognition as Wheeler's Connecticut Association of Performing Arts award winner at a celebration at Aqua Turf in April.
- Twenty of our students had artwork in an exhibit at the Westerly Artist Cooperative Gallery in a month long show in May. Two sophomores teamed up to achieve a coveted opportunity to paint a five foot long fiberglass submarine as they participated in the CT Sub Trail project, a public art project created to celebrate 100 years of the submarine industry.
- This project served as a non-profit fundraiser for the U.S.S. Groton Sail Foundation.
- Twelve of our students exhibited their work at the Mystic Art Museum's annual "Young at Art Regional Show" in March.

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

- In combination with our Declamation Club's Spring Competition, the Early College Experience Drawing 1 students held their annual final exhibit at the Wheeler Library one evening in May.
- Our band and chorus concerts, as well as art shows, were huge successes and were very impressive for both their quality and for the high number of students participating.
- Last year over 60 students participated in our drama production of *A Christmas Carol* as cast members, stage crew, choreographers or set builders.
- In the area of athletics, we had many students recognized as All Eastern Conference First Team Small Division members as well as many honorable mentions. We also received 12 sportsmanship recognitions from the ECC. We also had one student make All-State as well as another earn an Academic All-State recognition. Last year we also had teams reach the state tournament level in boy's and girls' basketball as well as in girls' softball. Our girls' softball team was the division champs of the Small ECC Division for the last two years. Last year Wheeler also had a student signed to play Division I softball at the University of Pennsylvania on a full scholarship.
- Our club offerings were expanded last year and included opportunities for students to participate three times a month during the school day in the following clubs: Farm and Garden Club, Give Back Club, Oxfam, National Honor Society, Unified Sports, Drama Club, WBC News, school newspaper, BRAVE, Math Team, Science Bowl and a variety of other offerings.
- Last year Wheeler formed a Unified Sports Team. Through this peer mentor program, members of our Unified Sports team participated in unified bowling and basketball against other unified teams in the local area. The Unified Sports Team meets three times a month at Wheeler as well as after school to prepare for their competitions.
- Wheeler's Annual Give Back Day provides a wealth of support to the North Stonington Community. Students participated in a variety of tasks, some including reading to our elementary students, cleaning classrooms for teachers, weeding and cleaning our outdoor gardens, and tending to the yards of the elderly who cannot do so for themselves. Many also hold fundraisers to donate to local charities such as local animal shelters, VFW hospitals and other local organizations in need.
- Students continued to provide meaningful services to our community, which aligns with the mission of Wheeler. They held two blood drives, multiple food drives, and drives for clothing, used sports equipment and toys. Chikumbuso, which raises educational and medical funds for orphans in Africa, continued. Several sports-oriented fundraisers were held, including the Oxfam Basketball Tournament and other National Honor Society hosted events to raise money for charity.

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

In Summary

The 2015-2016 school year was another one of growth, improvement and student achievement. It is hard to capture all of the events and recognition of an entire school year in a few short pages. There is much more that could be said. You are invited to visit our schools in person or via the Internet at www.nortstonington.k12.ct.us. We have much to be proud of!

Mr. Peter L. Nero, Superintendent

STAFF PROFILE 2015-2016 (October 1, 2015 Data)

POSITION	ELEMENTARY SCHOOL	MIDDLE SCHOOL (1)	HIGH SCHOOL (1)	CENTRAL OFFICE	TOTALS
Certified Staff Members	33.7	21.58	27.92		83.2
Student Support Services (2)	0.8	0.1	0.1		1
Administrators	1	0.95	0.95	2	4.9
Business Manager				1	1
Network Administrator & Technician				2	2
Administrative Support/Secretaries	1	1.5	1.5	3	7
Nurses	1	0.5	0.5		2
Health Aide	0.5	0.25	0.25		1
Paraprofessionals/ Assistants (3)	11.88	2	5		18.88
Maintenance/Custodial/Grounds	3.5	2.16	2.34	1.75	9.75
Total					130.73

1. The middle and the high school share administration and staff
2. Occupational Therapist
3. The numbers include full-time and part-time assistants

SCHOOL ENROLLMENT 2015 - 2016 (1)

SCHOOL	Pre-K	K	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL
Elementary School	31	62	56	54	62	46	56								367
Middle School								61	60	52					173
High School (2)											40	47	58	44	189
Out-of-District															0
TOTALS	31	62	56	54	62	46	56	61	60	52	40	47	58	44	729

1. Based on October 1, 2015, enrollment data
2. Includes tuition students

Town of North Stonington Annual Report 2015-2016

Public Schools (BOE)

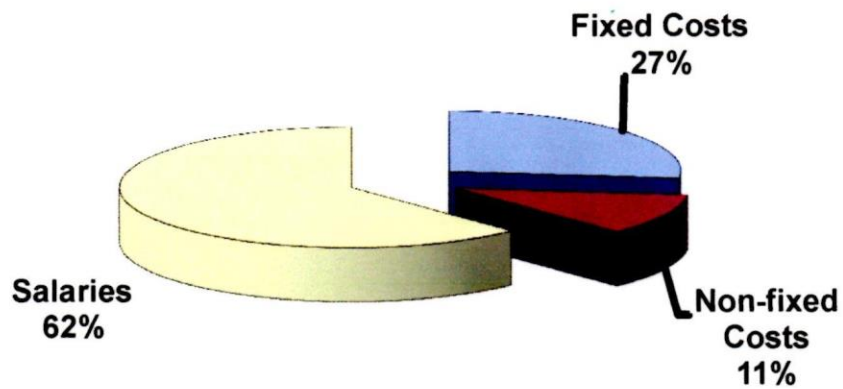
FINANCIAL REPORT FOR THE 2015-2016 SCHOOL YEAR

The total Board of Education (non-grant) expenditures for the 2015-2016 school year were \$12,701,206. These funds were allocated across three categories as follows:

<i>Salaries:</i>	\$	7,879,346
<i>Fixed Costs:</i>	\$	3,422,959
<i>Non-Fixed Costs:</i>	\$	1,398,901

The approved 2015-2016 budget was \$12,759,102, leaving an unexpended balance of \$57,896.

BUDGET DISTRIBUTION



SALARIES

Administration
Teachers
Guidance
Teacher Assistants
Library
Secretarial
Custodial

FIXED COSTS

Transportation
Heat-Utilities
Social Security
Employee Insurance
Employee Retirement
Tuition
SPED Contracted Svc

NON-FIXED COSTS

Textbooks
Library books
Instructional Supplies
Other Expenses
Health Supplies
Custodial Supplies
Maintenance Services
Replacement Equipment
Student Activities
New Equipment

Assessor's Office

Zoning Board of Appeals

Board of Assessment Appeals

Planning and Zoning Commission

Probate Court

Resident State Trooper Program

Town of North Stonington Annual Report 2015-2016

Town Clerk

Town Clerk: Norma Holliday

Contact: 860-535-2877 X 22

The Town Clerk's office handles a wide variety of tasks including the recording and indexing of land records, filing of maps, trade names and military discharges (DD214). The Clerk's office also issues marriage licenses, liquor permits and voter ID cards. Registering Justices of the Peace and Notaries, issuing and also filing birth, death and marriage certificates is also a responsibility of this office. Hunting and fishing licenses can also be purchased in the Clerk's Office and on line at www.ct.gov/deep/hunting. These licenses may be purchased throughout the year and are for the calendar year only. Deer Tags are now available for purchase in the Clerks office along with Pheasant Tags and Duck Stamps. Deer Season depends on how, where and when you hunt. Pheasant Season starts in October of any given year and continues through January of the following year. Migratory Bird Hunting is September through March of the following year. Dog licenses expire June 30th, new license must be procured on or before June 30 or a penalty of \$1.00 per month will be imposed. A low-cost rabies clinic (\$15.00) was offered by Dr. Stephen Morrone on Saturday, June 4th, 2016 between the hours of 10:00 am to 12:30 pm at the Town Hall, 40 Main St. The Clerk's Office was open between those hours to register dogs. The Town Clerk's Office hours are 8:00 A.M. – 4:00 P.M., Monday-Friday excluding holiday's.

Municipal Election Results November 3, 2015

First Selectman	Shawn P Murphy (R)	963
	Robert L Testa (PC)	543
Selectman	Mark S Donahue (D)	319
	Nicholas H Mullane II (R)	738
	Timothy O Main II (PC)	510
Town Clerk	Norma J Holliday (R)	1259
Town Treasurer	Robin D Roohr (R)	1213

Town of North Stonington Annual Report 2015-2016

Town Clerk

Board of Finance	Mustapha Ratib (D)	559
	Timothy Earl Pelland (D)	846
	Michael A Urgo (D)	584
	Carolyn A Howell (R)	833
Board of Finance Alt	Christopher Jude Hundt (R)	1033
Board of Education	Darren L Robert (D)	754
	Phillip M Mendolia (R)	733
	Alexander P Karpinski (R)	1021
Board of Assessment	Paula Lee Woodward (D)	546
Appeals	Candy Lynn Palmer (R)	796
Economic Dev Comm.	David C Isom (D)	658
	Brett Louis Mastroianni (R)	926
	Dugan C Tillman-Brown (R)	850
	George M Tattersall (R)	1064
Planning & Zoning	Wayne M Wilkinson (R)	1112
	Ann C Brown (R)	1053
P&Z Alt	Priscilla A Lewis (R)	1053
ZBA	James Edward Lord (D)	882
ZBA Alt	Anne M Nelson (D)	819
	Amy Jean Kimball (R)	979
	Gary B Thompson (R)	1003

Town of North Stonington Annual Report 2015-2016

Town Clerk

March 14, 2016 Referendum Results

The March 7, 2016 Special Town Meeting reconvened at 8:05 pm on March 14, 2016 following the Referendum by First Selectman Murphy, moderator Nita Kincaid was absent the results were read by the Referendum Moderator Debra Barnes:

1. *"Shall an ordinance be adopted concerning votes for the Office of First Selectman as follows: In accordance with CGS 9-188, votes cast for a candidate for First Selectman shall count for that office only. Votes cast for an unsuccessful candidate for First Selectman shall not be counted as votes for that candidate as a member of the Board of Selectman."?*

YES 390

NO 202

2. *"Shall the Town of North Stonington increase by \$2,254,000 the \$6,360,000 appropriation and borrowing authorization before design and construction of a appropriation and borrowing authorization for design and construction of a New Emergency Services Complex to be situated at 25 Rocky Hollow Road in North Stonington?"*

YES 221

NO 387

May 16, 2016 Referendum Results

The May 9, 2015 Special Town Meeting reconvened at 8:05 pm on Monday, May 16, 2016 by First Selectman Shawn Murphy following the Referendum, the results were read by the Referendum Moderator Patricia S. Turner:

1. *"Shall the TOWN OF NORTH STONINGTON appropriate \$38,550,000 for a new Wheeler Middle/High School addition and renovations to the wheeler Gymatorium; and for an addition and renovations to North Stonington Elementary School; and for the demolition of portions of the existing Wheeler Middle/High School, with the replacement of the roof and other improvements to be used for the North Stonington Board of Education Central Office and authorize the issue of bonds or notes to finance the portion of such appropriation not defrayed from grants?"*

YES 908

NO 905

Town of North Stonington Annual Report 2015-2016

Town Clerk

June 20, 2016 Referendum Results

The June 6, 2016 Special Town Meeting reconvened at 8:07 pm on Monday, June 20, 2016 by First Selectman Shawn Murphy following the Referendum, the results were read by the Referendum Moderator Deborah Barnes:

1. "Shall the Town of North Stonington approve the estimates and recommendations of the Board of Finance with respect to the annual General Government budget including Redemption of Debt and Capital for fiscal year July 1, 2016 through June 30, 2017, in the amount of \$6,222,248 and make specific appropriations and authorize expenditures in connection therewith as appear advisable?"

YES 323

NO 404

2. "Shall the Town of North Stonington approve the estimates and recommendations of the Board of Finance with respect to the annual Board of Education budget for fiscal year July 1, 2016 through June 30, 2017, in the amount of \$ 13,011,045 and make specific appropriations and authorize expenditures in connection therewith as appear advisable?"

YES 273

NO 457

Presidential Primary Results April 26, 2016

Democratic Primary

Roque "Rocky" De La Fuente	0
Hillary Clinton	201
Bernie Sanders	276
Uncommitted	6

Republican Primary

Ted Cruz	63
Ben Carson	3
Donald Trump	351
John R. Kasich	127
Uncommitted	7

Town of North Stonington Annual Report 2015-2016

Tax Collector

Tax Collector: Amy K. Snell

Contact: 860-535-2877 X 24

The Tax Collector's office is responsible for the administration and the collection of revenue in conformity with the Connecticut State Statutes, town ordinances, and established policy.

The percentage of the current adjusted tax levy (2014 Grand List) collected as of June 30, 2016, was 97.42%. The total collection rate including all taxes collected, current and prior years, interest and lien fees was 100.57%, \$78,438.32 more was collected than budgeted for total tax revenue.

The following is a breakdown of total collections for the fiscal year ending June 30, 2016:

FISCAL YEAR 2015/2016										
TOWN OF NORTH STONINGTON										
TAX COLLECTOR'S REPORT										
FOR YEAR TO DATE										
Grand List Year	Uncollected Taxes July 1, 2015	Current Levy	Lawful Corrections		Transfers to Suspense	Adjusted Taxes Collectible	Collections			Uncollected Taxes June 30, 2016
			Additions	Deductions			Taxes	Interest and Liens	Total	
2014		13,922,275.16	3,809.81	(36,285.84)	0.00	13,889,799.13	13,532,088.51	45,513.06	13,577,601.57	357,710.62
2013	342,416.43		613.81	(2,080.79)	0.00	340,949.45	138,852.80	28,978.66	167,831.46	202,096.65
2012	86,695.00		152.69	(1,492.99)	0.00	85,354.70	43,922.85	9,501.96	53,424.81	41,431.85
2011	40,312.70		540.99	0.00	0.00	40,853.69	4,351.35	2,020.34	6,371.69	36,502.34
2010	33,516.29		0.00	0.00	0.00	33,516.29	5,173.02	5,078.79	10,251.81	28,343.27
2009	30,530.75		0.00	0.00	0.00	30,530.75	4,665.80	5,079.29	9,745.09	25,864.95
2008	21,825.27		52.58	0.00	0.00	21,877.85	2,734.84	1,968.05	4,702.89	19,143.01
2007	2,570.35		0.00	0.00	0.00	2,570.35	0.00	0.00	0.00	2,570.35
2006	2,292.84		0.00	0.00	0.00	2,292.84	0.00	0.00	0.00	2,292.84
2005	2,281.13		0.00	0.00	0.00	2,281.13	0.00	0.00	0.00	2,281.13
2004	1,225.32		0.00	0.00	0.00	1,225.32	0.00	0.00	0.00	1,225.32
2003	1,028.69		0.00	0.00	0.00	1,028.69	0.00	0.00	0.00	1,028.69
2002	953.91		0.00	0.00	0.00	953.91	0.00	0.00	0.00	953.91
2001	1,047.49		0.00	0.00	0.00	1,047.49	0.00	0.00	0.00	1,047.49
2000	1,028.43		0.00	0.00	0.00	1,028.43	0.00	0.00	0.00	1,028.43
Total	567,724.60	13,922,275.16	5,169.88	-39,859.62	0.00	14,455,310.02	13,731,789.17	98,140.15	13,829,929.32	723,520.85

Inland Wetlands Commission

Town of North Stonington Annual Report 2015-2016

Recreation Commission

Members:

Damien Robert
Emerson Rusich,
Earl Wagner
Jen Peterson

Erin Comeau
Megan Perkins
Emily Mastroianni

Contact: (860)535-2162

Recreation Director: John Hines (replaced by Thomas Fabian April 2016)

The North Stonington Recreation Commission holds regular monthly meetings on the first Thursday of each month at the Recreation Office located at the Holly Green Plaza (2nd floor). The meetings begin at 6:30 p.m. and generally last for two hours. The public is welcome to attend these meetings. The meeting agendas & minutes are posted with the North Stonington Town Clerk. There are no scheduled meetings during the summer months (July & August).

The North Stonington Recreation Commission makes every effort to offer multiple programs and activities for both the adults and children of North Stonington and beyond throughout the year. These programs and activities include:

Multiple summer programs / activities such as Summer Playground Camp (6 weeks); Kiddie Camp (4 weeks); Basketball Clinics; Tennis Clinics; Volleyball Clinics; Adult & Youth Golf lessons; Art Academy classes; Summer Science classes; Archery Camp, Soccer Camps, and several other summer fun group activities.

During the fall season there were Youth Soccer Programs (approx.. 145 participants) with multiple teams in different age groups; Tennis clinic; Adult Co-Ed Volleyball; Golf instruction for youth & adults; pre-season Basketball clinics; three (3) youth Dance programs; Youth Volleyball clinic; Archery; Babysitting Certification Course; and the annual Halloween Egg Hunt for children at the "Rec".

Then in the Winter/Spring there is the North Stonington Recreation Youth Basketball League (approx. 150 participants) for boys & girls of various ages; Chess Instruction; Youth & Adult Volleyball and Golf programs; 15th annual Easter Egg Hunt at the "Rec"; and a free Boating & Watercraft Certification Course (Ct.);

Our year-round recreation programs include the following: multiple Yoga, Pilates, and Zumba (dance exercise) classes for adults as well as Kids Yoga classes; and hiking at the Hewitt Farm property just to name a few.

During this particular year the North Stonington Recreation began utilizing a new website www.northstoningtonrec.com that posts all of the ongoing programs / activities and allows participants to register and / or pay on-line.

Recreation Commission

The North Stonington Recreation still accepts program registrations and payments made via the recreation office. This website also allows the Recreation Commission to post announcements and send out email blasts to any or all of our members (presently 240 family accounts).

The Recreation Commission would like to thank the Board of Selectman, the Board of Finance, the Board of Education, the Highway Public Works Department, the North Stonington Public Schools Staff and Administration, as well as the Town Hall employees for their continued support over the years.

And most importantly, thank you to the citizens of North Stonington for your participation and support of our programs and activities.

Town of North Stonington Annual Report 2015-2016

Public Works Department

Foreman: Steve Holliday

Contact: 860-535-0924

The Town of North Stonington covers fifty-five square miles with sixty-four miles of roadway to maintain. The Public Works Department also operates the Transfer Station and Bulky Waste Area located on Wintechog Hill Road.

Some of the projects the Highway Department performed this year;

1. Snow removal of 8 storms from December 29, 2015 to March 21, 2016.
2. Responded to 28 emergency calls for aid to include icy roads, tree removal, and roadway closure issues.
3. Preparation for the Memorial Day parade, North Stonington fair, 4H Fair, and 4 charitable events.
4. Transfer Station hauled 2,830 tons of household garbage to the Preston incinerator, collected 390.23 tons recyclables, 2975 gallons of used oil, 495 tires, 31.66 tons of electronics, 1,235.98 tons of metal, 210 appliances, 1,919lbs. of florescent light bulbs, processed 354 mattresses and furniture, 4,578 gallons of paint, and 138 propane tanks turned in. Gross income was \$5,143.00.
5. Transfer Station began collecting mattresses with no charge to citizens on October 20, 2015.
6. Household Hazardous Waste Day was held on September 5th with 264 citizens utilizing the event.
7. Some major road projects included turn-arounds created at the end of Denison Hill Road, Tom Wheeler Road, and Ledgewood Rd. Paving and chip sealing of Anna Farm East, Tom Wheeler, Wyassup, Chester Main, and Hangman Hill roads.
8. Numerous failing metal drainage pipes were replaced on Chester Main and Northwest Corner roads, and the ambulance garage parking lot.
9. New catch basins were replaced on Northwest Corner, Chester Main, Ravenwood, Starlight, and Meadwood roads, and Kingswood Drive.
10. Newly installed drainage ditch was placed on Wintechog Hill Road to correct a flooding/icing issue.
11. New radar units were installed on Babcock, Rutemann, Wintechog Hill, and Northwest Corner roads.
12. The highway crew maintains the grounds and assists in repairs within the recreation department, to include taking down and setting up volleyball court, basketball, tennis, and soccer nets.
13. The highway crew maintains the grounds at the North Stonington Fire Department, North Stonington ambulance, Hewitt property and senior center.

Town of North Stonington Annual Report 2015-2016

Public Works Department

14. The highway crew reconstructed a new wing wall at the Hewitt Dam and painted the interior of the senior center building.

15. The highway crew assisted the school department in maintaining equipment, generator maintenance, grounds cleanup and snow removal.

The Department's routine annual projects include road sweeping, basin and waterway drainage cleaning, roadside mowing, placing and replacing signs, painting of stop-bars and center lines, cutting and trimming trees and brush, maintenance of many of the Town's cemeteries and chipping brush at the Transfer Station.

The Public Works Department Garage is located at 11 Wyassup Road. The staff works routinely between the hours of 7:00AM to 3:00PM Monday through Friday.

The Transfer Station is located at 215 Wintechog Hill Road. The staff works routinely Tuesday 7:00Am to 3:00PM, and Wednesday thru Saturday 8:00Am to 4:00PM. The Transfer Station is open to the public:

Wednesday & Friday, 12:15PM to 3:45PM

Thursday & Saturday, 8:15AM to 3:45PM

Contact Numbers

Garage: (860) 535-0924

Transfer Station: (860) 535-1048

Email: highway@northstoningtonct.gov.

Town of North Stonington Annual Report 2015-2016

Registrars of Voters

Registrars:

Gladys Chase, Republican
Deborah Barnes, Deputy Republican Registrar

Joan Kepler, Democrat
Anne McMullin, Deputy Democratic Registrar

Office hours: 9:00 a.m. to 11:30 p.m. Monday & Thursday.

Contact: 860-535-2877 x 13 Voice mail messages can be left the remainder of the week the Town Clerk accepts Voter Registration cards when Registrars are unavailable..

Registrars' Duties.

During working hours Registrars register new voters, delete deceased voters, make a variety of corrections and changes to the voter list including, but not limited to, active voters moving within town, moving into town and moving out of town, changes of Name, Party Registration, Contact Information, i.e., Phone Numbers, P.O. Box numbers, Street addresses, etc.

Department of Motor Vehicles (DMV) updates Connecticut towns re people who have registered vehicles in other towns or changed their existing town address.

The annual voter canvass is a procedure which takes place January 1st to May 1st. Registrars put information obtained from NCOA into a special Canvass Program. Other information is obtained through sale of houses, telephone or personal knowledge indicating a voter has moved. Letters are sent to voters for address change confirmations and responses are processed. Registrars attend the following meetings & conferences:

ROVAC Monthly New London County Meetings

ROVAC State Conventions (2)

State Mandated Certification Classes (8) We have completed (5) to date.

Connecticut Election Management System Class March 11, 2016.

Attend Town Committee Monthly meetings and Town Committee Caucuses.

Registrars held state-mandated limited registration sessions before the primary and general elections to allow residents to register &/or correct and update the voter list.

Town of North Stonington Annual Report 2015-2016

Registrars of Voters

Registrars visited Wheeler High School and signed up new student voters February, 2016.

Registrars oversaw the following elections during the 2015/2016 Budget period:

General Election: November 3, 2015

Emergency Services Referendum: March 14, 2016

Democratic and Republican Primaries April 26, 2016

School Renovation Referendum May 16, 2016

Budget Referendum: June 20, 2016

Registrars hired election officials, set up equipment to oversee elections and attended official town meetings to verify that voters are registered.

Election poll worker training sessions are held before each election to be sure new changes in election laws are implemented and review procedures.

The registrars are responsible for properly testing each tabulator to be sure that the ballots are printed correctly and can be accurately read by the tabulator.

Ambulance Association

Town of North Stonington Annual Report 2015-2016

Ad-Hoc & School Modernization Committee

Committee Members:

Michael Urgo, Chairman
Pamela Potemri, Treasurer
Walter Mathwich
Bob Carlson
Mark Perkins Jr.
Dan Spring

Jay Peterson, Vice Chairman
Michael Osborn, Secretary
Michael Anderson
Sam Cherenzia IV
David Sellins



The North Stonington School Modernization Committee officially began meeting on June 7th of 2016 with the objective of providing our community with a state of the art educational facility in the most cost effective manner possible.

Prior to June 7th 2016, members of our committee were functioning as the Ad-Hoc School building committee. For this report we will summarize the work of both groups.

In September of 2015, an Ad-Hoc School Building committee was appointed by the Board of Selectman and with direction from the Tri-Board in North Stonington to look at the options for modernizing our aging schools. At the beginning of 2015, the Boards of Selectmen, Education, and Finance agreed that improvements to North Stonington school facilities were necessary. They decided to hold regular Tri-Board meetings to identify what needed to be done to modernize the schools. In August 2015, a new Ad-Hoc school building committee was appointed to further study priorities outlined by the Tri-Board. That committee consisted of town residents: Michael Urgo (Chairman), Jay Peterson (Vice Chair), Walt Mathwich (Secretary), Michael Anderson, Brad Borden, Michael Osborn, Pamela Potemri, Dan Spring and Tyler Dibrino (Wheeler High School Senior). On November 23rd 2015, the committee presented a proposal for school modernization to the Tri-Board. The proposal encompassed renovation of the Elementary school, construction of a new Middle/High School, and upgrades to the Gymnasium. It addressed all of the essential educational upgrades, security/safety problems and significant building code issues the current facilities faced. The committee spent many hours weighing different approaches, including everything from swapping buildings to fixing things in a piecemeal method among other options. During the subsequent months, this committee held many meetings.

Town of North Stonington Annual Report 2015-2016

Ad-Hoc & School Modernization Committee

Each time the committee met and reported to the Tri-Board, the meetings were recorded and posted on YouTube and our town website so members of the public who were unable to attend the meetings could remain informed about the process. On May 19th, 2016 the town voted to approve the school modernization proposal developed by this committee. The proposal was recommended by the Boards of Education, Finance, and Selectman. The committee was provided a budget of \$25,000.00 to research, analyze, & develop plans to remedy these school deficiencies. We came in 10% under budget expending only \$22,555.52 of those funds.

In May of 2016, the existing Ad-Hoc School Building committee was re-appointed to serve as the School Modernization Committee. Four members were added, and two members did not return. Since being appointed, the committee has been meeting most Monday evenings and at times two times per week to prepare for the projects commencement. We anticipate beginning construction at the conclusion of the school year in 2017, pending confirmation of funding from The State of Connecticut.

There have been many accomplishments of this committee in a short period of time. The committee began by developing a detailed scoring rubric that has been used for ranking the partners the town is hiring to help us design, bid, & build the schools. To date, the committee has used this rubric to choose the firms of Quesenberry/Arcari Architects to design the building, Downes Construction LLC as the Construction Management firm to lead the project teams, & Eagle Environmental to manage any hazardous materials/PCB's and abatement in the schools. The committee has also secured financing of 23.4 million dollars in direct loans from the US Department of Agriculture at a historically low interest rate of 2.75% which will be used to fund the cost of the project that the State of Connecticut is not reimbursing us for. Additionally the committee received word from the State that our project has been moved forward for legislative consideration as an "A" priority project. This makes us among the highest consideration for State funding. Immediate future strategies for the committee include development of final specs and designs for the building with input from our project team, teachers, parents, & students. Additional meetings will be held with State officials to keep us on target to break ground upon being awarded State reimbursement around June/July 2017. We hope to create a webpage connected to the town website where we will communicate updates of our continued progress. The town authorized expenditure of 1.59 million dollars to help us perform the actions needed to make us shovel ready when grants are awarded. This is the maximum that can be spent until commitment for grant funding is confirmed at by the State. At the time of this report, the committee has spent \$36,302.71.

We look forward to breaking ground in 2017.

Building and Sanitarian Departments

Senior Center

Economic Development Commission

Volunteer Fire Company



Charles A. Steinhart V, Chief

Gary A. Baron, President

Emergency Contact: 9-1-1

Routine Fire Station: 860-535-0937

The volunteers of the North Stonington Volunteer Fire Company are extremely dedicated group of men and women. Without these volunteers, the Town would indeed be in dire straits. Our volunteers are a precious, but perishable commodity. It is difficult to find volunteers, hard to train and develop volunteers, and harder still to retain volunteers as viable members.

The 2015/16 Fiscal Year has been another, increasingly busy period of time for the North Stonington (all) Volunteer Fire Company, Inc. (NSVFC). We responded to a total of **239** emergency calls during the reporting period; five of which were fatalities. These calls consisted of:

- Motor vehicle accidents, some involving extrication
- Hazardous materials releases
- Combustibles/flammable releases
- Emergency medical service (EMS) responses
- Structure fires
- Motor vehicle fires
- Brush/unauthorized outside fires
- False alarms, including malicious/mischievous
- Lock-outs
- Mutual aid assistance to other towns
- Medical assists
- Land-based search and rescue operations
- Water/ice-related rescues
- Residential flooding
- Smoke investigations

Volunteer Fire Company

Town of North Stonington Annual Report 2015-2016

Responding to these issues required **3,149.80** man-hours of dedicated volunteer personal time to serve the Town of North Stonington.

In a continuing effort to improve their skills and proficiency, volunteers aggressively participated in 39 training drills this period; some of which included neighboring fire departments, to ensure seamless interaction during emergencies.

The volunteers' participation in training required an additional 669.85 man hours of their personal time. The training and drills consisted of:

- Basic pump operations
- Compliance
- Farm rescue operations
- Firefighter 2
- Hazardous materials (OSHA Compliance)
- Ice and water rescue operations
- Infection control (blood borne diseases; OSHA Compliance)
- Mutual aid operations
- SCBA training (firefighter breathing apparatus; (OSHA Compliance)
- Simulated live fire drills
- Simulated water flow drills
- Tanker water shuttle operations
- Trench rescue operations
- Rescue Drone operating procedures and emergency scene applications

NSVFC became increasingly aware of the need for an all terrain utility vehicle (ATV), after an increasing number of search and rescue calls in remote, hard to access areas. Relying on mutual aid assistance from surrounding towns, while much appreciated, became an unacceptable risk, due to the extended time delays while responding.

Volunteers engaged in a five year-long, CT State registered raffle and raised (or donated) over \$20,000 to purchase the UTV and trailer.

Town funds were not solicited or used in the purchase of this valuable life saving apparatus. The purchase of this item has now cut our response time in roughly half to such emergencies.

Beginning in May of 2016, the NSVFC registered with the Connecticut State and initiated responding to "R-1" type medical calls. This change in our operations is a pilot program, and attributed to a concern for the lack of ambulance personnel to respond to Town emergencies.

The NSVFC EMT qualified volunteers help augment the 911 emergency calls to the North Stonington Ambulance Association (NSAA) when a delay in ambulance response is possible. The result has been a much quicker and efficient on-scene response, while awaiting regular ambulance response and care.

Town of North Stonington Annual Report 2015-2016

Volunteer Fire Company

Neither NSVFC nor it's EMT volunteers who participate in this program are financially compensated.

As requested by Town officials, all of our financial services (treasurer, bookkeeper, accounting) have been shifted to "in-house" operations, and a very qualified person has been appointed to perform those duties. We have also retained an external accounting firm to conduct annual audits and filing of our federal and state taxes, including Federal Forms 990 and 501(c)(3).

As a civic commitment, we continue to support Boy Scout Troop 71 as their official sponsor. We provide the Scouts a meeting place and attend their special functions. We also support through donations, the North Stonington Little League Team, the North Stonington Bible Church and Pequot Fire Police Association, among other professional fire fighting organizations and burn victim foundations.

The Fire Company provides water to the Town's Recreational Complex, for which we pay the quarterly CT State water analyses and inspection..

The Fire Company funds the repair and complete maintenance of the Fire Station. The funds for these expenses come from the lease of a small portion of our property to SBA Towers. This income also funds our annual banquet, awards and Memorial Day-related festivities, members' uniforms and miscellaneous donations to other nonprofit organizations.

We have/operate the following Capital items (fire apparatus/equipment), of which their replacement cycles are required by the National Fire Protection Association (NFPA):

- 1) Ladder truck (PAST DUE; has been in the long range planning for fifteen years; replacement \$675,000+)
- 2) Company car (DUE 2014/15; 15 years old; replacement \$65,000+)
- 3) Forestry truck (DUE 2016/17, and current R1 medical responder vehicle; 25 years old; replacement \$135,000+)
- 4) Rescue truck (DUE 2018/19; 15 years old; replacement \$850,000+)
- 5) Engine 3 Tanker (DUE 2019/20; 26 years old; replacement \$500,000+)
- 6) Engine 2 (DUE 2023/24; engine was refurbished, adding 10 years to its life)
- 7) Engine 4 (DUE 2024/25; twenty five years old; replacement \$400,000+)
- 8) Engine 1 (DUE 2029/30; twenty year old; replacement \$625,000+)
- 9) SCBA packs (\$220,000 - all twenty five packs)
- 10) Cylinders (\$7,600 for eight cylinders; over next six years)
- 11) Hurst Tools (DUE 2030; replacement \$60,000)
- 12) Bunker gear replacement (\$16,000 each year to maintain standards)
- 13) Rescue boat and motor (\$20,000+)

As always, the Fire Company is in constant need of additional volunteers, especially during weekday hours when the majority of personnel work outside of the Town. Please contact the Fire Company at 860-535-0937 if interested.

Town of North Stonington Annual Report 2015-2016

IT/GIS Department

Manager: James Russell

Contact: 860-535-2877, x 33

As the new IT/GIS Manager for the town, starting at the end of April of 2016, my first initial few weeks were spent figuring out the overall scheme of the towns IT infrastructure. For the 2015-2016 fiscal year, accomplished the following tasks:

- a) Fixed Daily Backup issues for town network. The daily backups were not happening so a reset of the system was initiated in order for the backups to take place. For the remainder of the year backups happened every day with no interruptions.
- b) This server will replace one of the older servers in our network. This server will host the Assessor's Office appraisal software (Vision), as well as all town hall users and departments files. This new server makes the town's main IT infrastructure less than 2 years old.
- c) Fixed several outstanding issues that users were having before I was hired.
- d) Fully checked Town Hall PC's for any issues. Also came up with an Inventory sheet that will have anything about each PC listed for easy recreation if there is any major technology disaster.
- e) Built New Laptop for Gary Baron for EDC usage. Checked the overall health of all EDC equipment to make sure we are ready to set up in the event of any weather related disaster.
- f) Obtained overall knowledge of Towns GIS system and began taking online training from ESRI.

The majority of my time for the tail end of 2015-16 was spent researching the overall health of our network and planning for the future.

Some things that are in the planning stages for 2016-17 and beyond include:

1. **Email system.** Looking into creating additional email accounts for Board and Committee members in town. This would also include having Advanced Email Security software to protect our network 24/7.
2. Moving software and files over to new server THMAIN and decommissioning older servers. Decommissioned servers would be used as back up servers in case of any disaster that is technology related.
3. **VOIP phone system.** Currently looking into a new Voice Over IP phone system. This will be more reliable and will also save money per month off the towns phone bills.

IT/GIS Department

4. **Website Redesign.** I have been in contact with several companies about re-designing our town's current website to make it more appealing and user friendly. I am scheduling webinars and demos to gather the most information as possible. This project is in the very beginning stages.
5. **Network Security.** Looking into upgrading our Web filter to provide the most security possible to protect our users and information.

Town of North Stonington Annual Report 2015-2016

Emergency Management (Civil Preparedness)

Director: Gary A. Baron

Contact: 860-535-2877 x 33

The Emergency Management Director (EMD) has been busy re-invigorating this position's responsibilities and duties, as required by Connecticut State Statute Title 28 (Civil Preparedness and Emergency Services).

The EMD is appointed by the First Selectman. During times of Emergency Operations Center activations, he develops, organizes, directs, and coordinates the town's Emergency Management Program with the goal of saving lives and protecting property, by maintaining emergency operational capabilities that mitigate, prepare for, respond to, and recover from any declared emergency or disaster.

Since being appointed in October 2015:

- a) Purchased and replaced two, non-functioning and outdated EMD portable radios, with two new high-band compliant radios and new batteries
- b) Purchased a new high band compliant mobile radio and antenna, which was installed in the EMD's vehicle
- c) Replaced the EOC's base station power supply module, which was faulty (could not transmit)
- d) Reprogrammed the new EMD radios with relevant frequencies, to include the North Stonington Volunteer Fire Company's heavy rescue command vehicle (H-17) radio and fire department's EOC base station.
- e) Purchased a new copier/printer/fax/scan machine to be used during Emergency Operations Center activations
- f) Replaced an old EMD cell phone and purchased a newer model cell phone, cancelling the unnecessary, Town EMD-dedicated land line, saving taxpayers \$200 per month
- g) Arranged for all calls coming into the EMD Town phone line and EMD dedicated cell phone to be "rolled-over" to the EMD's personal cell phone, thereby ensuring 24/7 coverage
- h) Purchased new EMD vest, shirts and jacket, using personal funds, in order to facilitate easy identification at emergency scenes and official function
- i) Purchased EMD business cards
- j) Participated in a CT State-wide emergency drill (tornado), with the NS School Superintendent and Fire Chief in attendance
- k) Currently planning to participate in a CT State-wide hurricane drill on 29 October 2016; arranged to have all Emergency Operations Center officials present
- l) Participated in required periodic Region 4 EMD high band frequency live radio tests

Town of North Stonington Annual Report 2015-2016

Emergency Management (Civil Preparedness)

- m) Participated in a “Webinar” lessons-learned session, hosted by the Fairfield County School Superintendent; subject of session was to discuss multiple serious threats that recently confronted the Fairfield County School system; First Selectmen was briefed
- n) Arranged for the EMD to be included in all future fire alarm and lock-down drills at NS schools; participated in two fire alarm and two lock-down school drills, thus far
- o) Completed EMD required certified FEMA courses for EMD’s (ICS100, IS700, IS800); completed numerous other emergency-related courses, drills and actual incidents, as the President of the North Stonington Volunteer Fire Company and Fire Police Lieutenant
- p) Reviewed and approved the NS Elementary, Middle and High Schools’ “All Hazards” emergency operations plan for 2016/17; currently in the process of approving updated plans for 2017/18
- q) Reviewed and assisted in processing the “Letter of Agreement” between neighboring towns regarding the establishment of a multi-jurisdictional shelter
- r) Provided input to the NS Center For Emergency Services building committee, to ensure the physical/technical establishment of a viable Emergency Operations Center (EOC)
- s) Instituted capability of real-time EMD emergency updates on the official NS Town website page for NS residents’ benefit during declared emergencies or weather/storm events
- t) Initiated the posting of monthly EMD updates/advisories on the NS Bulletin Board for residents’ access
- u) Attended training at EMD Region 4 Headquarters (Colchester) with the NS bookkeeper, focusing upon the EMD/EMPG grant-writing process
- v) I appointed and swore-in a new Deputy EMD
- w) Attended meetings and provided input for two mass-gathering events within NS
- x) Represented NS EMD during a Town festival; signed-up residents to receive automated warnings on the NS “News and Announcements” emergency notification system
- y) Currently in the process of completing the newly constructed template for the “Emergency Operations Plan” manual for North Stonington (to be completed and presented to Region 4 Headquarters by January 2017)

The annual Civil Preparedness budget is \$6,242; an annual matching FEMA Grant allocation is normally awarded (\$0.50, per capita). Civil preparedness operating budget is \$3,000, and includes a \$1,000 Selectman’s Capital amount.

The total Emergency Management budget is \$10,242.

Hewitt Farm Committee



Committee Members: Ellie Banker * Jack Brown *
Richard Cooper * Ed Harasimowitz *
Nita Kincaid * Brian Baker

(*) Committee members since its formation

Members of the committee are appointed on an annual basis.

There is currently an open alternate position.

BACKGROUND

The 104-acre Hewitt Farm property was purchased by North Stonington in the fall of 2008 for \$622,890. This was the town's first major purchase of open space. The final debt payment was made in January 2014.

In December 2008 the Board of Selectmen appointed the Hewitt Property Committee to define the rules and regulations for the use of the property. On December 10, 2010, the committee's recommendations were approved at a Town Meeting and the committee's goal was accomplished.

In May 2011 the current Hewitt Farm Committee was appointed by the Board of Selectmen to manage and oversee the Hewitt Farm. Our mission has been the following:

- Maintain the property as a fine representation of traditional New England beauty
- Encourage passive recreational use of the natural environment
- Initiate enhancements that fit New England traditions
- Continually encourage community appreciation of Hewitt Farm and seek public input

Town of North Stonington Annual Report 2015-2016

Hewitt Farm Committee

ACCOMPLISHMENTS DURING FISCAL 2015/2016

Completing the Dam Project

The March 2010 Northeaster delivered significant damage to the Hewitt Farm Dam. As a result of this storm the property was divided and public access was difficult, discouraging visitors. In September 2014 the dam restoration project finally began; by May 2015 the contractor had finished most of the work. During summer 2015, the town took on the remaining tasks, such as safety railings and site improvements. The Hewitt Farm was returned to its historical layout with a much safer dam, improved appearance and better accessibility.

Inviting Residents and Non-Profits to Enjoy Hewitt Farm

In celebration of this major improvement to the farm, the committee organized a town event, the North Stonington Harvest Festival. This was a September 2015 “re-opening” of the property to encourage increased use by residents and community non-profit groups. Hewitt Farm Committee members were responsible for making sure the property was in the best possible condition. The work involved installation of a park-style sign for the Route 2 entrance (thanks to a donation); an improved boat launch; a handicapped parking area; mowed meadows; removal of invasive plants in many areas; development of two new trails around the pond; and establishment of three usable parking areas. Committee members did much of the work and a very-appreciated town crew helped with important finishing touches in early September. The Harvest Festival had amazing attendance - more than 500 folks - thanks to a fabulous fall day, 24 participating town groups and successful publicity. The event displayed the farm looking its best in many years and attracted visitors who had never seen the property before, opening their eyes to its beauty and potential.

Growing the Community Garden

The Hewitt Farm Community Garden was established in 2013 and quickly attracted many participants, as well as visitors. The Community Garden Association (a group of volunteers) oversees this area and has paid for all garden expenses with plot rental fees (\$25 per plot) and donations received from individuals and organizations such as Chelsea Groton Bank, the Rotary Club of the Stoningtons and the North Stonington Garden Club. In 2015 this area of the farm benefited from an Eagle Scout Project, by Boy Scout Roy Amaral. Roy constructed a handsome red shed that houses gardening tools, supplies and a much-admired compost toilet, which was purchased with further donations made to the Community Garden. All the garden plots were filled in both 2015 and 2016. In the spring of 2016, the plot rentals were filled so quickly that the association requested approval to add space for six additional plots in 2017 so that more members of the community could participate.

Town of North Stonington Annual Report 2015-2016

Hewitt Farm Committee

Enhancing the Hayfields

The 21 acres of hayfields on Hewitt Farm are well managed under a 2013 agreement with two local farmers, Ron Lewis and Mike Daniels. After clearing the edges of all four fields back to original borders, the farmers have created and maintained usable public trails, as well as improving the quality and production of the fields each year. This has been a win-win arrangement for the farmers and the town.

Overseeing Rental Properties

During 2015, Buon Appetito experienced a busy summer/fall season and requested expansion of parking areas. Working with First Selectman Mullane, we identified and marked property lines to provide extra spaces within the restaurants boundaries. Other necessary steps were outlined for the owner: removing a few trees, submitting a new parking plan to Planning and Zoning to obtain a permit, and then grading two areas adjacent to the existing parking areas. This work was approved and undertaken by the owner in 2016, with some changes still to be finished.

The **1750 Farm House** is a part of North Stonington's history and is recognized by the State Historical Preservation Office. It has been rented since 2008 to a family of five (tenants from the Seaport's ownership) for \$950 monthly. The committee inspects the house annually and maintenance issues are addressed. Recognizing the house's historical and architectural importance, the committee has begun an evaluation of its condition to identify future improvements needed to ensure appropriate preservation of the house, as well as to enhance its rental value.

HEWITT FARM FINANCIAL OVERVIEW

In 2012 the Hewitt Farm Committee requested that the town include a Hewitt Farm "Expense" line for \$5000 (Public Works/Highway/Hewitt Farm) in the budget. A Hewitt Farm Income line already existed (Other Revenue/Rent for Hewitt Property) and this showed almost \$40,000 in annual rental income. The expense line was added to allow the committee to track expenses related to property maintenance and improvement.

YEAR	INCOME	EXPENSE
2012/2013	\$41,286	\$5,254
2013/2014	\$41,292	\$3,327
2014/2015	\$37,965	\$1,739
2015/2016	\$39,322	\$3,280

Above figures were taken from North Stonington budget and audit documents.

Town of North Stonington Annual Report 2015-2016

Hewitt Farm Committee

Two of the farm's leased properties had recent rent increases due to date-related escalation clauses:

- ✓ **Southeastern CT Water Authority** has leased the Hewitt Farm wellfield since June 1965 with a right to renew for three successive periods of 25 years in 1990, 2015 and 2040. In addition a rental increase is calculated every five years based on the Consumer Price Index Urban. In July 2015 the lease was renewed and income from the well was increased from \$6215 to \$7586, which will prevail until 2020.
- ✓ The **Buon Appetito** lease was signed in June 2011 with an annual rent of \$19,800, locked in for five years through June 30, 2016. As of July 1, 2016, the rent increased to \$22,800 (a 15% increase). Each year hereafter the rent will increase by 3% until termination on June 30, 2050.

The restoration of the Hewitt Farm Dam was completed in May 2015. Most expenses related to this Capital Project were paid by August 2016, with a small retainage remaining.

There are two future projects to be undertaken at the farm. These may require Capital Project funding. For the past few years, the committee has attempted to determine what could and should be done about the Cabin and Greene Gables, two empty buildings at Hewitt Farm. It is likely that any actions would require approval at a town meeting and would necessitate funding above and beyond Hewitt Farm's \$5000 line item.

- The small "fishing" Cabin at 3 Hewitt Rd. has been vacant since September 2014, when the tenant from 1997-2014 moved. The building is a rustic, camp-like structure with no foundation and little insulation. Much work would be required to make this a viable rental property or to transform it into a useful structure such as a small visitor's center with bathrooms. Given the small size and poor construction, there may be no cost-benefit in trying to work on the existing building.
- Greene Gables has been empty since 1997, was described as in poor shape then, and has deteriorated significantly since. At the time of the December 2010 Town Meeting, it was voted that no work should be done on the building. (The issue discussed was that a plan would be needed first.)

In 2012 the North Stonington Historical Society notified the town of its interest in saving and utilizing Greene Gables, based on historic and cultural importance.

The town paid to have Greene Gables tested by Mystic Air in 2012 and learned there are hazardous waste materials present, in addition to its poor overall condition. In 2013, the Historical Society formed a special committee to further evaluate the building. Since that time we have received much historical information on Greene Gables, but no viable suggestions for uses of the structure or for funding a restoration. Without identification of a worthwhile use for Greene Gables and subsequent approval by the town, the committee is unable to move forward with a plan and we remain concerned about the risks associated with this structure.

Town of North Stonington Annual Report 2015-2016

Hewitt Farm Committee

THE IMPORTANCE OF HEWITT FARM SUPPORTERS

On the very positive side, we have been fortunate that many improvements have been made at the Hewitt Farm without cost to the town. Volunteers and committee members have put in much work to keep up the property and we continue to receive wonderful donations from local non-profits.

- Boy Scout Troop 71: the Bicentennial Trail Bridge, picnic tables, garden shed and three more Eagle Scout projects planned for 2017
- Girl Scout Troop 63813: refurbishment and maintenance of the Butterfly Garden
- The Grange: Bluebird and Bat boxes in many locations
- North Stonington Garden Club: funding the rear entrance Welcome sign and most Trail signs, including more signs to be added soon.

We greatly appreciate the support, generosity and creativity of these community groups. They have made major contributions to this very special town property.

GOALS FOR FISCAL 2016/2017

The Hewitt Farm Committee has identified the following priorities for 2016/2017:

1. Replace weakened beams in the basement of the 1750 Farm House
2. Develop a plan for improvements to the 1750 Farm House
3. Formulate specific, actionable recommendations for the Cabin and Greene Gables
4. Support the North Stonington Garden Club's creation of a Hewitt Farm Nature Trail and three Troop 71 Eagle Scout projects
5. Explore options for outdoor bathroom facilities
6. Continue to encourage and support activities and events at the farm by working closely with the schools and town non-profits

More information about the Hewitt Farm is available on the town website page:

www.northstoningtonct.gov/Pages/NStoningtonCT_BC/HFP/index

Management and Financial Statements

The following pages contain the auditor's findings for the year ending June 30, 2016.

Town of North Stonington Annual Report 2015-2016

TOWN OF NORTH STONINGTON, CONNECTICUT

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2016

with

SUPPLEMENTAL STATEMENTS AND SCHEDULES

and

INDEPENDENT AUDITORS' REPORT

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Town of North Stonington Annual Report 2015-2016

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Town of North Stonington Annual Report 2015-2016

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INDEPENDENT AUDITORS' REPORT

To the Board of Finance Town of North Stonington, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of North Stonington, Connecticut (the "Town") as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

Town of North Stonington Annual Report 2015-2016

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town as of June 30, 2016, and the respective changes in financial position, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 3 through 9 and the required supplementary information on page 40 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual non-major fund financial statements, Statement of Debt Limitation, and the Report of the Tax Collector are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Town of North Stonington Annual Report 2015-2016

The combining and individual non-major fund financial statements, Statement of Debt Limitation, and the Report of the Tax Collector are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, Statement of Debt Limitation, and the Report of the Tax Collector are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated November 28, 2016, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Town's internal control over financial reporting and compliance.

(sig.)

Danbury, Connecticut November 28, 2016

Town of North Stonington Annual Report 2015-2016

Our discussion and analysis of the Town of North Stonington, Connecticut's (the "Town") financial performance provides an overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2016. Please read it in conjunction with the Town's financial statements, which begin on page 10.

The Town's discussion and analysis is designed to:

1. Provide an overview of the Town's financial activity.
2. Assist the reader in focusing on significant financial issues.
3. Identify any material deviations from the financial plan (approved budget).
4. Identify changes in the Town's financial position, as well as its ability to address challenges in future years.

FINANCIAL HIGHLIGHTS

On a government-wide basis, the assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$12,915,815 (net position). This is an increase of \$358,606 or 2.9% from the prior fiscal year.

Government-wide revenues were \$20,846,461 and expenses were \$20,487,855. On a government-wide basis, revenues exceeded expenses by \$358,606.

As of the close of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$2,427,662, a decrease of \$11,086 from the prior fiscal year. This represents the combined balances in the General Fund, Capital Nonrecurring Fund, Capital Projects Fund, Emergency Services Center Fund, and other smaller funds. In the General Fund, expenses exceeded revenues and net transfers by \$61,028. The total General Fund balance of \$2,113,982 as of June 30, 2016, compares to a balance of \$2,175,010 in the prior year.

At the end of the current fiscal year, the Unassigned General Fund balance was \$1,911,561. This represents 10.4% of total General Fund expenditures (on a budgetary basis) in the current fiscal year. This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Town as a whole and present a longer term view of the Town's finances. Fund financial statements start on page 12. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the Town.

Town of North Stonington Annual Report 2015-2016

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to private-sector businesses. All of the resources, which the Town has at its disposal, are shown, including major assets such as buildings and infrastructure. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

The Statement of Net Position presents information on all of the Town's assets and liabilities, with the difference between the two reported as net position. One can think of the Town's net position – the difference between assets and liabilities – as one way to measure the Town's financial health or financial position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The Statement of Activities presents information showing how the Town's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in some future fiscal period (e.g., uncollected taxes and earned but unused compensated absences).

Both of the government-wide financial statements present the functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities).

The governmental activities of the Town include general government, public safety, public works, and education.

The fund financial statements provide detailed information about the most significant funds – not the Town as a whole. The Town, like other state and local governments, uses fund accounting to help it maintain control and manage money that have been segregated for specific activities or objectives. All of the funds of the Town are divided into two categories: governmental and fiduciary funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Town's near-term financing requirements.

Town of North Stonington Annual Report 2015-2016

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains several individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) for the General, Capital Nonrecurring, Capital Projects, and Emergency Services Center funds. Data from other governmental funds are combined into a single aggregated presentation as Other Funds.

The Town adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the authorized budget in the General Fund – Statement of Revenues, Expenditures, and Changes in Fund Balance – Budgetary Basis – Budget and Actual.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. All of the Town's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. The Town excludes these activities from the Town's other financial statements because the Town cannot use these funds to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Town of North Stonington Annual Report 2015-2016

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position increased by \$358,606 from a year ago. Our analysis below focuses on the net position and changes in net position of the Town.

	<u>Change During Year</u>			
	<u>2016</u>	<u>Dollars</u>	<u>Percent</u>	<u>2015</u>
<u>Assets</u>				
Current and other assets	\$ 5,843,166	\$ 852,966	17.1%	\$ 4,990,200
Capital assets	<u>11,642,443</u>	<u>(10,527)</u>	-0.1%	<u>11,652,970</u>
<u>Total assets</u>	<u>17,485,609</u>	<u>842,439</u>	5.1%	<u>16,643,170</u>
 <u>Liabilities</u>				
Long-term debt outstanding	1,818,993	(141,742)	-7.2%	1,960,735
Other liabilities	<u>2,750,801</u>	<u>625,575</u>	29.4%	<u>2,125,226</u>
<u>Total liabilities</u>	<u>4,569,794</u>	<u>483,833</u>	11.8%	<u>4,085,961</u>
 <u>Net Position</u>				
Net investment in capital assets	9,288,443	(504,527)	-5.2%	9,792,970
Restricted – expendable	494,386	(110,336)	-18.2%	604,722
Unrestricted	<u>3,132,986</u>	<u>973,469</u>	45.1%	<u>2,159,517</u>
<u>Total net position</u>	<u>\$ 12,915,815</u>	<u>\$ 358,606</u>	2.9%	<u>\$ 12,557,209</u>

Capital Assets decreased by \$10,527. The decrease includes \$462,749 reduction for current year depreciation expense, which more than offset the Town's capital spending during the year.

During the current year, the Town paid the annual principal due of \$300,000 on the general obligation serial notes. The Town also paid off the \$1,200,000 short-term notes (BANS) through the issuance of new BANS in the amount of \$2,000,000.

Town of North Stonington Annual Report 2015-2016

Subsequent to year end, the new BANS were paid off through the issuance of \$7,146,000 of BANS. The additional proceeds will be used primarily for the Emergency Services Center. See Notes 7 and 8 to the financial statements for additional information.

	<u>Change During Year</u>			
	<u>2016</u>	<u>Dollars</u>	<u>Percent</u>	<u>2015</u>
<u>Revenues</u>				
Program revenues:				
Charges for services	\$ 547,381	\$ 104,721	23.7%	\$ 442,660
Operating grants and contributions	5,149,313	305,627	6.3%	4,843,686
Capital grants and contributions	138,359	(17,168)	-11.0%	155,527
General revenues:				
Property taxes	13,954,807	247,413	1.8%	13,707,394
Grants and contributions	1,011,730	(23,679)	-2.3%	1,035,409
Interest and investment earnings	2,416	1,601	196.4%	815
Other	<u>42,455</u>	<u>(63,172)</u>	-59.8%	<u>105,627</u>
Total revenues	<u>20,846,461</u>	<u>555,343</u>	2.7%	<u>20,291,118</u>
<u>Expenses</u>				
General government	2,391,763	154,274	6.9%	2,237,489
Public safety	1,351,673	(391,861)	-22.5%	1,743,534
Public works	1,838,260	(351,556)	-16.1%	2,189,816
Education	14,897,070	466,585	3.2%	14,430,485
Interest on long-term debt	<u>9,089</u>	<u>(16,679)</u>	-64.7%	<u>25,768</u>
Total expenses	<u>20,487,855</u>	<u>(139,237)</u>	-0.7%	<u>20,627,092</u>
<u>Change in net position</u>	<u>\$ 358,606</u>	<u>\$ 694,580</u>	-206.7%	<u>\$ (335,974)</u>

The following are the significant changes from the prior year:

Operating grants revenue increased \$305,627 (6.3%) because of an increase of \$176,401 in the teachers' retirement on behalf payments from \$1,135,183 to \$1,311,584.

Town of North Stonington Annual Report 2015-2016

Capital grants revenue decreased \$17,168 (-11.0%) because the prior year included higher FEMA and LOCIP reimbursement grants.

Education expenses increased \$466,585 (3.2%) primarily from an increase in the current year teachers' retirement on behalf payments mentioned above compared to the prior year.

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. At the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$2,427,662, a decrease of \$11,086 from the prior year.

<u>Ending Fund Balance as of:</u>	2016	2015	Change
General Fund	\$ 2,113,982	\$ 2,175,010	\$ (61,028)
Capital Nonrecurring Fund	173,212	99,868	73,344
Capital Projects Fund	1,078,933	840,205	238,728
Emergency Services Center	(1,033,521)	(734,632)	(298,889)
Other Funds	95,056	58,297	36,759
Total	\$ 2,427,662	<u>\$ 2,438,748</u>	<u>\$ (11,086)</u>

The General Fund is the operating fund of the Town. At the end of the current fiscal year, the Unassigned General Fund balance was \$1,911,561. As a measure of the General Fund's liquidity, it is useful to compare Unassigned fund balance to total fund revenues. Unassigned General Fund balance represents 10.4% of total General Fund expenditures (on a budgetary basis) in the current fiscal year. In the prior year, the Unassigned Fund Balance was 9.9% of the total General Fund expenditures (on a budgetary basis).

The Town's total General Fund balance decreased by \$61,028 or (-2.8%) during the current fiscal year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Board of Finance can revise the Government budget with additional appropriations and budget transfers. Additional appropriations increase the total budget. The Board of Finance is allowed by Connecticut State Statute to make one additional appropriation up to \$20,000 per line item or department.

Town of North Stonington Annual Report 2015-2016

A second additional appropriation or an appropriation over \$20,000 requires a Town Meeting. Transfers do not increase the total budget, but instead move appropriations to a department that needs additional funding from other departments that have excess funding.

Connecticut State Statutes allow these transfers to be made by the Board of Finance without a Town Meeting. Below is a summarized view of the final budget and actual results for the General Fund:

	Final Budget	Actual	Better (Worse) Than Budget
Revenues:			
Property taxes	\$ 13,751,491	\$ 13,716,330	\$ (35,161)
Interest and investment earnings	2,000	2,416	416
Intergovernmental	4,610,097	4,387,396	(222,701)
Licenses, fees, fines and charges	154,701	196,427	41,726
Other	<u>192,957</u>	<u>234,012</u>	<u>41,055</u>
Total revenues	<u>18,711,246</u>	<u>18,536,581</u>	<u>(174,665)</u>
Expenditures:			
General government	4,858,863	4,668,876	189,987
Debt service	308,942	309,089	(147)
Capital outlay	750,668	750,668	-
Education	<u>12,759,102</u>	<u>12,701,206</u>	<u>57,896</u>
Total expenditures	<u>18,677,575</u>	<u>18,429,839</u>	<u>247,736</u>
Increase in fund balance – budgetary basis	<u>\$ 33,671</u>	<u>\$ 106,742</u>	<u>\$ 73,071</u>

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of this year, the Town had \$11,642,443 invested in capital assets. This amount represents a net decrease (including additions and deductions) of \$10,527 from last year. This is primarily due to various infrastructure projects, which was more than offset by the current year's depreciation expense. More detailed information about the Town's capital assets is presented in Note 5 to the financial statements.

Town of North Stonington Annual Report 2015-2016

Debt

At year end, the Town had \$300,000 in general obligation notes outstanding. This is a decrease of \$300,000 from the \$600,000 general obligation notes that were outstanding last year. The Town is currently not rated by the rating agencies because all general obligation bonds outstanding have been paid in full. More detailed information about the Town's long-term obligations is presented in Notes 7 and 8 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Grand List for Fiscal Year 2015-2016 only grew by approximately one percent and next year the Town will implement the statistical revaluation with the 2015 Grand List. The Town had another successful year in its operations and our surplus increased to \$1,911,561, which is 10.4 percent of the Town's current fiscal year operating budget.

First Selectman Shawn Murphy took office in November, 2015 and has worked with all boards, commissions, and departments to streamline the governmental process and provide professional services to our residents and taxpayers. The Center for Emergency Services construction is continuing and the town voted to approve a \$38,550,000 School Modernization Project. Several small businesses have relocated to our Town and we have issued permits for a new propane company to build a new full service facility near Exit 93.

Moving forward into fiscal year 2016-2017, the Town will pay off its last short term note of \$300,000 and Sweeper lease for the Public Works Department. The Selectmen have requested funding to demolish several Town owned buildings that are not being used and are considered a liability to the Town on the Hewitt Farm and Wintechog Hill Road properties. The government will continue to support the Wheeler Library and provide necessary services to our residents and taxpayers.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Finance at Town of North Stonington, 40 Main Street, North Stonington, CT 06359.

Town of North Stonington Annual Report 2015-2016

STATEMENT OF NET POSITION JUNE 30, 2016

Assets

Current assets:

Cash and cash equivalents	\$ 5,131,841
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Receivables:

Taxes and interest, net of allowance of \$350,000	620,896
Intergovernmental	39,122
Other	25,464
Prepaid expenses	2,429
Inventory	3,378
Due from fiduciary funds	20,036

Noncurrent assets:

Capital assets:

Not being depreciated	1,252,306
Being depreciated, net of accumulated depreciation	10,390,137

Total assets	<u>\$17,485,609</u>
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Liabilities

Current liabilities:

Accounts payable	\$ 652,591
Accrued expenses	71,626
Unearned revenue	26,584
Bond anticipation note	2,000,000

Noncurrent liabilities:

Due within one year	443,712
Due in more than one year	1,375,281

Total liabilities	<u>4,569,794</u>
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Net Position

Net investment in capital assets	9,288,443
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Restricted:

Expendable	494,386
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Unrestricted	<u>3,132,986</u>
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Total net position	<u>12,915,815</u>
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Total liabilities and net position	<u>\$ 17,485,609</u>
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Town of North Stonington Annual Report 2015-2016

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2016

					Net (Expense) Revenue and Changes in
		<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges For Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:					
General government	\$(2,391,763)	330,498	222,339		(1,838,926)
Public safety	(1,351,673)		56,159		(1,295,514)
Public works	(1,838,260)		240,033	138,359	(1,459,868)
Education	(14,897,070)	216,883	4,630,782		(10,049,405)
Interest on long-term debt	(9,089)				(9,089)
Total governmental activities	<u>\$ (20,487,855)</u>	<u>547,381</u>	<u>5,149,313</u>	<u>138,359</u>	<u>(14,652,802)</u>
General Revenues:					
Property taxes, interest, and lien fees					13,954,807
Grants and contributions not restricted to specific programs					1,011,730
Interest and investment earnings					2,416
Other					<u>42,455</u>
Total general revenues					<u>15,011,408</u>
Change in net position					358,606
Net position, beginning of year					<u>12,557,209</u>
Net position, end of year					<u>\$12,915,815</u>

Town of North Stonington Annual Report 2015-2016

GOVERNMENTAL FUNDS BALANCE SHEET JUNE 30, 2016

	General Fund	Capital Nonrecurring Fund	Capital Projects Fund	Emergency Services Center	Other Funds	Total Governmental Funds
<u>Assets</u>						
Cash and cash equivalents	\$3,910,327	171,669	-	977,854	71,991	5,131,841
Receivables:						
Taxes and interest, net of allowance of \$350,000	620,896	-	-	-	-	620,896
Intergovernmental	30,487	-	-	-	8,635	39,122
Other	25,464	-	-	-	-	25,464
Prepaid expenses	2,429	-	-	-	-	2,429
Due from other funds	-	1,543	1,078,933	-	15,085	1,095,561
Due from fiduciary funds	-	-	-	-	20,036	20,036
Inventory	-	-	-	-	3,378	3,378
Total assets	<u>\$4,589,603</u>	<u>173,212</u>	<u>1,078,933</u>	<u>977,854</u>	<u>119,125</u>	<u>6,938,727</u>
<u>Liabilities</u>						
Accounts payable	\$ 652,591	-	-	-	-	652,591
Accrued expenses	50,627	-	-	11,375	9,624	71,626
Unearned revenue	12,139	-	-	-	14,445	26,584
Bond anticipation notes	-	-	-	2,000,000	-	2,000,000
Due to other funds	1,095,561	-	-	-	-	1,095,561
Total liabilities	<u>1,810,918</u>	<u>-</u>	<u>-</u>	<u>2,011,375</u>	<u>24,069</u>	<u>3,846,362</u>
<u>Deferred Inflows of Resources</u>						
Unavailable revenue - taxes	664,703	-	-	-	-	664,703
<u>Fund Balances (Deficits)</u>						
Nonspendable	2,429	-	-	-	3,378	5,807
Restricted	-	26,162	427,168	-	41,056	494,386
Committed	-	147,050	651,765	-	20,036	818,851
Assigned	199,992	-	-	-	36,168	236,160
Unassigned	<u>1,911,561</u>	-	-	<u>(1,033,521)</u>	<u>(5,582)</u>	<u>872,458</u>
Total fund balances (deficits)	<u>2,113,982</u>	<u>173,212</u>	<u>1,078,933</u>	<u>(1,033,521)</u>	<u>95,056</u>	<u>2,427,662</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 4,589,603</u>	<u>173,212</u>	<u>1,078,933</u>	<u>977,854</u>	<u>119,125</u>	

Town of North Stonington Annual Report 2015-2016

GOVERNMENTAL FUNDS BALANCE SHEET JUNE 30, 2016 cont'd

Amounts reported in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	11,642,443
Other assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	664,703
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
General obligation serial note	(300,000)
Compensated absences and pension benefits	(1,464,993)
Landfill costs	<u>(54,000)</u>
Net position	<u>12,915,815</u>

Town of North Stonington Annual Report 2015-2016

GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS) FOR THE YEAR ENDED JUNE 30, 2016

	General Fund	Capital Nonrecurring Fund	Capital Projects Fund	Emergency Services Center	Other Funds	Total Governmental Funds
Revenues:						
Property taxes	\$13,716,330	-	-	-	-	13,716,330
Intergovernmental	5,698,980				588,727	6,287,707
Local	409,996	3,100	-	-	190,851	603,947
Total revenues	19,825,306	3,100	-	-	779,578	20,607,984
Expenditures:						
Current:						
General government	1,978,659	-	-	-	219,339	2,197,998
Public safety	980,967	-	-	298,889	-	1,279,856
Public works	1,720,208	-	-	-	-	1,720,208
Education	14,169,602	-	-	-	523,480	14,693,082
Capital outlay	-	64,756	354,081	-	-	418,837
Debt service	309,089	-	-	-	-	309,089
Total expenditures	<u>19,158,525</u>	<u>64,756</u>	<u>354,081</u>	<u>298,889</u>	<u>742,819</u>	<u>20,619,070</u>
Excess of revenues over (under) expenditures	666,781	(61,656)	(354,081)	(298,889)	36,759	(11,086)
Other Financing Sources (Uses):						
Transfers in	22,859	135,000	615,668	-	-	773,527
Transfers out	(750,668)	-	(22,859)	-	-	(773,527)
Total other financing sources (uses)	(727,809)	135,000	592,809	-	-	-
Net change in fund balances	(61,028)	73,344	238,728	(298,889)	36,759	(11,086)
Fund balances (deficits), beginning of year	<u>2,175,010</u>	<u>99,868</u>	<u>840,205</u>	<u>(734,632)</u>	<u>58,297</u>	<u>2,438,748</u>
Fund balances (deficits), end of year	\$ <u>2,113,982</u>	<u>173,21</u>	<u>1,078,933</u>	<u>(1,033,521)</u>	<u>95,056</u>	<u>2,427,662</u>

The notes to the financial statements are an integral part of this statement.

Town of North Stonington Annual Report 2015-2016

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2016

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - total governmental funds \$(11,086)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period:

Capital outlays treated as expenditures	452,222
Depreciation expense not considered in the fund statements	<u>(462,749)</u>
	<u>(10,527)</u>

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Principal repayments or refinanced:	
General obligation bonds	300,000
Post-closure landfill costs	<u>6,000</u>
	<u>306,000</u>

Revenues:	
Taxes, interest, and liens	238,477

Expenses:	
Compensated absences and other post-employment benefits payable	<u>(164,258)</u>
	<u>74,219</u>

Change in net position	<u>\$ 358,606</u>
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The notes to the financial statements are an integral part of this statement.

Town of North Stonington Annual Report 2015-2016

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGETARY BASIS - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2016

	Budget Amounts			Variance With
	Original	Final	Actual	Final Budget
				Positive
				(Negative)
Revenues:				
Property taxes, interest, and lien fees	\$13,751,491	13,751,491	13,716,330	(35,161)
Interest and investment earnings	2,000	2,000	2,416	416
Intergovernmental	4,610,097	4,610,097	4,387,396	(222,701)
Licenses, fees, fines and charges	154,701	154,701	196,427	41,726
Other	192,957	192,957	234,012	41,055
Total revenues	<u>18,711,246</u>	<u>18,711,246</u>	<u>18,536,581</u>	<u>(174,665)</u>
Expenditures:				
Current:				
General government	176,672	176,672	176,638	34
Probate Court	1,794	1,794	1,794	-
Board of Finance	15,501	15,501	15,775	(274)
Assessor's Office	125,906	125,906	125,591	315
Board of Tax Review	2,600	2,600	1,452	1,148
Tax Collector	57,439	52,439	52,178	261
Town Treasurer	6,825	6,825	6,878	(53)
Town Attorney	60,000	80,000	79,110	890
Annexation related	47,000	59,000	58,825	175
Town Clerk	74,338	71,838	75,034	(3,196)
Planning and Zoning Commission	142,575	132,575	111,291	21,284
Building Department	31,665	31,665	31,139	526
Zoning Board of Appeals	1,750	1,750	555	1,195
School Building and Planning Committee	25,100	25,100	22,799	2,301
Economic Development Commission	41,772	41,772	31,103	10,669
Recreation Commission	93,919	93,919	98,740	(4,821)
Inland Wetlands Commission	8,527	8,527	7,788	739
Conservation Commission	2,000	2,000	1,906	94
Water Pollution Control Authority	-	-	-	-
Fixed charges	803,834	799,334	761,887	37,447
Elections and Town Meetings	35,268	35,268	29,147	6,121
Town Hall	65,975	69,275	66,159	3,116
Social Services/Welfare	40,400	40,400	39,403	997
Selectmen's Engineering Service	5,000	5,000	5,566	(566)
Information Technology	64,817	54,817	51,278	3,539
Public safety	958,671	1,002,771	981,167	21,604
Public works	1,774,803	1,774,803	1,713,267	61,536
Conservation of Health	31,438	31,438	28,063	3,375
Senior Citizens	59,823	59,823	59,640	183
Miscellaneous	56,051	56,051	34,703	21,348
Education	12,759,102	12,759,102	12,701,206	57,896
Capital outlay	611,338	750,668	750,668	-
Debt service	308,942	308,942	309,089	(147)
Total expenditures	<u>18,490,845</u>	<u>18,677,575</u>	<u>18,429,839</u>	<u>247,736</u>
Net change in fund balance	<u>220,401</u>	<u>33,671</u>	106,742	<u>73,071</u>
Fund balance, beginning of year			1,807,248	
Fund balance, end of year			<u>\$ 1,913,990</u>	

Town of North Stonington Annual Report 2015-2016

FIDUCIARY FUNDS STATEMENT OF FIDUCIARY NET POSITION JUNE 30, 2016

	Pension Trust Funds	Agency Funds
<u>Assets</u>		
Cash and cash equivalents	-	\$ 211,395
Investments	2,987,286	-
Other receivables	101,142	-
Total assets	<u>3,088,428</u>	<u>211,395</u>
<u>Liabilities</u>		
Due to students and developers	-	191,359
Due to governmental funds	-	20,036
Total liabilities		<u>211,395</u>
Net position held in trust for pension benefits	<u>\$ 3,088,428</u>	-

FIDUCIARY FUNDS STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FOR THE YEAR ENDED JUNE 30, 2016

	Pension Trust Funds
Additions:	
Employer contributions	\$207,466
Investment earnings (losses)	(4,072)
Total additions	<u>203,394</u>
Deductions:	
Distributions	57,958
Total deductions	<u>57,958</u>
Change in net position	145,436
Net position, beginning of year	<u>2,942,992</u>
Net position, end of year	<u>3,088,428</u>

The notes to the financial statements are an integral part of this statement.

Town of North Stonington Annual Report 2015-2016

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2016

Note 1 – Summary of Significant Accounting Policies

The Town of North Stonington, Connecticut (the "Town") is a municipal corporation governed by a selectmen/Town meeting form of government. Under this form of government, the Town meeting is the legislative body. A Town meeting is required to make appropriations, levy taxes, and borrow money. The administrative branch is led by an elected three-member Board of Selectmen. The Selectmen oversee most of the activities not assigned specifically to another body. An elected Board of Education oversees the public school system. An elected Board of Finance is the budget making authority and supervises the Town's financial matters.

Reporting Entity

Accounting principles generally accepted in the United States of America require that the reporting entity include: 1) the primary government, 2) organizations for which the primary government is financially accountable, and 3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criterion provided by the Government Accounting Standards Board has been considered, and there are no agencies or entities, which should be presented as component units of the Town.

Government-Wide and Fund Financial Statements

The government-wide financial statements report information on all of the non-fiduciary activities of the primary government. Fiduciary funds are excluded from the government-wide financial statements. For the most part, the effects of inter-fund activity have been eliminated from the government-wide financial statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The various funds included in the financial statements are described below:

Governmental Funds

General Fund – the primary operating fund of the Town. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property taxes, state and federal grants, licenses, permits, charges for services, and interest income.

Special Revenue Funds – account for revenue derived from specific sources (other than major capital projects) that are restricted by legal and regulatory provisions to finance specific activities.

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

Capital Projects Funds – account for financial resources used for the acquisition or construction of capital facilities for capital projects anticipated to last more than one year.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations, and other governments. Fiduciary funds are not included in the government-wide statements. The fiduciary funds are as follows:

Pension Trust Funds – are used to account for resources legally held in trust for the benefit of individuals, private organizations or other governments.

Agency Funds – are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes when levied, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the Town or specifically identified.

The Town reports the following major governmental funds:

The **General Fund** is the general operating fund of the Town. All unrestricted resources, except those required to be accounted for in another fund, are accounted for in this fund. From this fund are paid general operating expenditures, fixed charges, principal and interest on long-term debt, and capital improvement costs of the Town, which were not paid through a special fund.

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

The **Capital Nonrecurring Fund** accounts for smaller, short-term capital projects that are funded through capital grants or General Fund transfers.

The **Capital Projects Fund** is used to account for proceeds of bond anticipation notes and general obligation notes used for authorized projects such as acquisition and construction of capital facilities or major repair activities.

The **Emergency Services Center Fund** is used to account for proceeds of bond anticipation notes used for the authorized Emergency Services Center major project.

Additionally, the Town reports the following funds:

The **Pension Trust Funds** account for activities of the Town's defined contribution plans, which accumulate resources for pension benefit payments to qualified employees.

The **Agency Funds** account for monies held as a custodian for outside groups and agencies.

Cash, Cash Equivalents, and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments for the Town are reported at fair value. Nonparticipating, interest-earning investment contracts are generally reported at cost plus accrued earnings.

Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposits may not be returned to it. The Town's policy for custodial credit risk is to invest in obligations allowable under the Connecticut General Statutes. In general for most of the funds, this includes deposits in allowable banks, obligations of the United States of America, and obligations of any State or political subdivision, which is tax exempt. Certain fiduciary funds are allowed more flexibility in investing.

Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Town does not have a formal credit risk policy other than restrictions to obligations allowable under the Connecticut General Statutes.

Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the Town does not invest in any long-term investment obligations.

Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The Town follows the limitations specified in the Connecticut General Statutes. Generally, the Town's deposits cannot be 75% or more of the total capital of any one depository.

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

Receivables

Property taxes are assessed on property values as of October 1st. The tax levy is divided into two billings; the following July 1st and January 1st. The billings are considered due on those dates; however, the actual due date is based on a period ending 31 days after the tax bill. On these dates (August 1st and February 1st), the bill becomes delinquent at which time the applicable property is subject to lien, and penalties and interest are assessed.

Under Connecticut State Statutes, the Town has the right to impose a lien on a taxpayer if any personal property tax, other than a motor vehicle tax, due to the Town is not paid within the time limited by any local charter or ordinance. The lien shall be effective for a period of 15 years from the date of filing unless discharged. A notice of tax lien shall not be effective if filed more than two years from the date of assessment for the taxes claimed to be due. The Town establishes allowances for uncollectible taxes and interest based on historical collection experience and other factors. As of June 30, 2016, the Town has established an allowance for uncollectible taxes and interest of \$350,000.

Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans).

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in appropriate governmental funds to indicate that they are not available for appropriation and are not expendable financial resources.

Capital Assets

Capital assets, which include property, equipment, and infrastructure assets (e.g., bridges, sidewalks, and similar items) are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than the capitalization threshold for that asset type and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life is not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

Land is considered inexhaustible and, therefore, not depreciated. Property, equipment, and infrastructure of the Town are depreciated using the straight line method over the following estimated useful lives:

Assets	Years	Capitalization Threshold
Building and improvements	75	\$ 10,000
Trucks	5- 20	10,000
Equipment and furniture	5- 20	2,000
Electronic equipment	4	2,000
Infrastructure:		
Bridges	75	50,000
Sidewalks	50	10,000
Stone bridge/culverts	50	25,000

Unearned Revenue

In the government-wide and fund financial statements, this liability represents resources that have been received but not yet earned.

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has no items that qualify for reporting in this category.

Deferred inflows of resources represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town only has one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds Balance Sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is a liability for unpaid accumulated sick leave since the town has a policy to pay any amounts when employees separate from service with the Town. All vacation and sick pay benefits are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and/or retirements.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

In the governmental fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as Assigned fund balance as they do not constitute either expenditures or liabilities.

Fund Equity and Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce this category.

Restricted – This category represents external restrictions imposed by creditors, grantors, contributors, laws or regulations of other governments, and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This category represents the net position of the Town, which is not restricted for any project or other purpose.

Governmental Accounting Standards Board Statement #54 (GASB 54) defines the different types of fund balances that the Town must use for its governmental funds. GASB 54 requires the fund balances to be properly reported within one of the following categories for financial reporting purposes.

Nonspendable – Fund balance amounts associated with inventories, prepaids, and long-term receivables and payables.

Restricted – Fund balance amounts that can be spent only for the specific purposes stipulated by external source providers or enabling legislation.

Committed – Fund balance amounts that can be used only for specific purposes determined by a formal action of the Town's highest level of decision-making authority.

Assigned – Amounts intended to be used for specific purposes but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body (such as a finance committee), or by an official to whom that authority has been given. This is the residual fund balance classification for all governmental funds except the General Fund. Assigned fund balances should not be reported in the General Fund if doing so causes the government to report a negative unassigned General Fund balance.

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

Unassigned – This is the residual classification for the General Fund (i.e., everything that is not in another classification or in another fund). The General Fund is the only governmental fund that can report a positive unassigned fund balance. Other governmental funds might have a negative unassigned fund balance as a result of overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The Town's committed fund balance reporting is required when funds have been committed at a Town Meeting. The Town's assigned fund balance reporting is required when funds have been assigned by the Town's Board of Selectmen. The Town's policy is to apply expenditures against the applicable fund balances in the following order: non-spendable, restricted, committed, assigned, and unassigned.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 – Budgets and Budgetary Accounting

Budgetary Basis

A formal, legally approved, annual budget is adopted for the General Fund. This budget is adopted on a basis consistent with Generally Accepted Accounting Principles (modified accrual basis) with the following exceptions:

- Teachers' Retirement – the Town does not recognize as income or expenditures payments made for teachers' retirement by the State of Connecticut on the Town's behalf in its budget. The Governmental Accounting Standards Board's Statement No. 68 requires that the employer government recognize payments for salaries and fringe benefits paid on behalf of its employees.
- Encumbrances – Unless committed through a formal encumbrance (e.g., purchase orders, signed contracts), all annual appropriations lapse at fiscal year end. Encumbrances outstanding at year end are reported on the budgetary basis statements as expenditures.

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

A reconciliation of General Fund operations presented in accordance with accounting principles generally accepted in the United States of America ("GAAP") to the amounts presented on the budgetary basis is as follows:

	Fund Balance Beginning	Revenues	Expenditures	Other Uses	Fund Balance Ending
GAAP basis	\$ 2,175,010	\$ 19,825,306	\$ (19,158,525)	\$ (727,809)	\$ 2,113,982
Encumbrances:					
June 30, 2015	(367,762)	-	367,762	-	-
June 30, 2016	-	-	(199,992)	-	(199,992)
Reclassifications	-	22,859	(750,668)	727,809	-
Teachers' retirement system on behalf payments	-	(1,311,584)	1,311,584	-	-
Budgetary basis	\$ 1,807,248	\$ 18,536,581	\$ (18,429,839)	-	\$ 1,913,990

Budget Calendar

The Boards of Selectmen and Education submit requests for appropriations to the Board of Finance. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates, and requested appropriations of the next fiscal year.

The Board of Finance holds a public hearing, at which itemized estimates of the expenditures of the Town for the next fiscal year are presented. At this time, individuals are able to recommend any appropriations, which they desire the Board of Finance to consider. The Board of Finance then considers the estimates and any other matters brought to their attention at a public meeting held subsequent to the public hearing and prior to the annual meeting. The Board of Finance prepares the proposed budget.

The Board of Finance's estimated and recommended budget reports are submitted at the Annual Town Meeting. The Annual Town Meeting takes action on this budget. After the Annual Town Meeting, the Board of Finance meets to levy a tax on the grand list which will be sufficient to cover, together with other income or revenue surplus which is appropriated, the amounts appropriated and any revenue deficit of the Town.

Budget Control

The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level except for education expenditures, which are, by Connecticut State Statutes, appropriated as one department.

The governing body may amend the annual budget subject to the requirements of the Connecticut General Statutes. The Board of Finance may make a one-time additional appropriation up to \$20,000 to any appropriations. A Town meeting must be called to make appropriations over \$20,000 or additional changes to a previously adjusted appropriation.

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

Special Revenue Funds

The Town does not have legally adopted annual budgets for the Special Revenue Funds. Budgets for the various Special Revenue Funds, which are utilized to account for specific grant programs, are established in accordance with the requirements of the grantor agencies. Such budgets carry over until completion of the grants.

Capital Project Funds

Legal authorization for expenditures of the Capital Project Funds is provided by the related bond ordinances and/or intergovernmental grant agreements. Capital appropriations do not lapse until completion of the applicable projects.

Note 3 – Deposits and Investments

Cash and Cash Equivalents

The following is a summary of cash and cash equivalents at year end:

Governmental funds	\$ 5,131,841
Agency funds	211,395
Total cash and cash equivalents	<u>\$ 5,343,236</u>

Custodial Credit Risk on Deposits

The bank balance of the deposits was exposed to custodial credit risk as follows:

Covered by Federal Depository Insurance	\$ 463,532
Uninsured and collateralized	1,034,399
Uninsured and uncollateralized	4,229,720
Total Deposits	<u>\$ 5,727,651</u>

Investments

As of June 30, 2016, the Town's investments consisted of the following:

	Agency Funds
Equity mutual funds	<u>\$ 2,987,286</u>

As of June 30, 2016, the range of maturities of the investments was as follows:

<u>Types of Investment</u>	<u>Fair Value</u>	<u>Not Applicable</u>
Equity mutual funds	<u>\$ 2,987,286</u>	<u>\$ 2,987,286</u>
	<u>\$ 2,987,286</u>	<u>\$ 2,987,286</u>

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

Fair Value Measurements

The Town utilizes the market approach as the valuation technique to measure fair value of its financial assets. GAAP establishes a three-level hierarchy for fair value measurements that distinguishes between market participant assumptions developed based on market data obtained from sources independent of the reporting entity ("observable inputs") and the reporting entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances ("unobservable inputs") and requires that the most observable inputs be used when available. The hierarchy is broken down into three levels based on the reliability of inputs as follows:

Level 1 - Valuation based on unadjusted quoted prices in active markets for identical assets the Town has the ability to access. Since valuations are based on quoted prices readily and regularly available in an active market, valuation of these assets does not entail significant judgment.

Level 2 - Valuation based on quoted prices for similar assets in active markets; quoted prices for similar assets in inactive markets; or valuations based on models where the significant inputs are observable (e.g. interest rates, yield curves, etc.) or can be corroborated by observable market data.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement. The unobservable inputs reflect the Town's own assumptions about assumptions that market participants might use.

The Town's investments are measured on a recurring basis using Level 1 information (market quotations for investments that have quoted prices in active markets). The Town has no financial assets measured using Level 2 or Level 3 at June 30, 2016.

Note 4 – Operating Lease

The Town is the lessor in several non-cancelable operating leases of Town owned property. The lease terms vary and are paid in monthly installments. Minimum future rental payments to be received are as follows:

<u>Year Ending</u>	<u>Future Rental Payments</u>
2017	\$ 29,001
2018	23,985
2019	24,693
2020	25,413
2021	<u>250</u>
Total	<u>\$ 103,342</u>

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

Note 5 – Capital Assets

Depreciation expense was charged to functions/programs of the primary government as follows:

General government	\$ 62,892
Public works	124,052
Public safety	71,817
Education	<u>203,988</u>
Total depreciation expense	<u>\$ 462,749</u>

Capital asset activity for the year was as follows:

	Balance at July 1, 2015	Increases	Decreases	Balance at June 30, 2016
Capital assets not being depreciated:				
Construction in process	-	\$ 299,066	-	\$ 299,066
Land	<u>953,240</u>	<u>-</u>	-	<u>953,240</u>
	<u>953,240</u>	<u>299,066</u>	-	<u>1,252,306</u>
Capital assets being depreciated:				
Buildings and improvement	13,042,449	12,321	-	13,054,770
Furniture and equipment	6,064,207	140,835	(13,500)	6,191,542
Infrastructure	<u>3,185,995</u>	<u>-</u>	<u>-</u>	<u>3,185,995</u>
	<u>22,292,651</u>	<u>153,156</u>	<u>(13,500)</u>	<u>22,432,307</u>
Accumulated depreciation:	<u>(11,592,921)</u>	<u>(462,749)</u>	<u>13,500</u>	<u>(12,042,170)</u>
Capital assets, net	<u>\$ 11,652,970</u>	<u>\$ (10,527)</u>	-	<u>\$ 11,642,443</u>

Note 6 – Inter-fund Receivables, Payables, and Transfers

Inter-fund transfers are generally used to transfer monies raised in taxes to other funds. During the year, transfers from the General Fund to the Capital Nonrecurring Fund and Capital Projects Fund were made to finance several projects.

	<u>Transfers in:</u>			
	General Fund	Capital Nonrecurring Fund	Capital Projects Fund	Total
Transfers out:				
General Fund	\$ -	\$ 135,000	\$ 615,668	\$ 750,668
Capital Projects Fund	<u>22,839</u>	-	-	<u>22,839</u>
	<u>\$ 22,839</u>	<u>\$ 135,000</u>	<u>\$ 615,668</u>	<u>\$ 773,507</u>

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

As of June 30, 2016, inter-fund receivables and payables were as follows:

	Due From:
	General
	Fund
Due To:	
School Lunch Fund	\$ 6,709
Capital Nonrecurring Fund	1,543
Capital Projects Fund	1,078,933
Education Grant Fund	<u>8,376</u>
	<u>\$ 1,095,561</u>

Transfers are used to account for unrestricted revenues collected mainly in the General Fund to finance capital projects and other programs accounted for in other funds in accordance with budget and project authorizations.

Note 7 – Bond Anticipation Notes

The Town uses bond anticipation notes during the construction period of various capital projects prior to the issuance of the bonds at the completion of the project.

Short-term obligation activity for the year ended June 30, 2016, was as follows:

	Balance at July 1, 2015	Additions	Deletions	Balance at June 30, 2016
Capital Projects	<u>\$ 1,200,000</u>	<u>\$ 2,000,000</u>	<u>\$ 1,200,000</u>	<u>\$ 2,000,000</u>

At June 30, 2016, there was a bond anticipation note of \$2,000,000 outstanding with a maturity date of July 16, 2016, bearing an interest rate of 1.0%.

Note 8 – Long-Term Obligations

Changes In Long-Term Obligations

Long-term obligation activity for the year ended June 30, 2016, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General obligation serial note	\$ 600,000	\$ -	\$ 300,000	\$ 300,000	\$ 300,000
Compensated absences	117,839	7,307	-	125,146	-
Post-closure landfill costs	60,000	-	6,000	54,000	6,000
Net OPEB obligation	<u>1,182,896</u>	<u>294,663</u>	<u>137,712</u>	<u>1,339,847</u>	<u>137,712</u>
	<u>\$ 1,960,735</u>	<u>\$ 301,970</u>	<u>\$ 443,712</u>	<u>\$ 1,818,993</u>	<u>\$ 443,712</u>

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

General Obligation Serial Note

The general obligation serial note currently outstanding is as follows:

Purpose	Original Amount	Matures in Year Ending	Interest Rate	June 30, 2016 Amount
Transportation/Public Safety/Sewage	\$ 902,500	2017	1.49%	\$ 300,000

Annual debt service requirements to maturity is as follows:

Year Ending	Principal	Interest
2017	\$ 300,000	\$ 4,470
	<u>\$ 300,000</u>	<u>\$ 4,470</u>

Authorized and Unissued Debt

At June 30, 2016, there was \$5,950,000 authorized and unissued bonds for the Emergency Services Center and School Modernization Project.

Statutory Debt Limitation

Connecticut General Statutes Section 7-374(b) provides that authorized debt of the Town shall not exceed seven times base receipts, as defined in the Statute. Further, the Statute limits the amount of debt that may be authorized by the Town for general purposes, schools, sewers, urban renewal, and pension deficit. The Town did not exceed any of the statutory debt limitations at June 30, 2016.

Post-Closure Landfill Costs

The Town has a closed landfill. State and federal laws and regulations require that the Town perform certain maintenance and monitoring functions on its closed landfill site for 30 years after closure. These costs will be paid through the General Fund each year as part of the annual budget. Total estimated costs based on the current actual costs are included in long-term obligations. The actual costs may vary based on actual events, inflation, changes in technology, and applicable laws and regulations. During the year, there were no actual costs incurred.

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

Note 9 – Net Position and Fund Balances

Restricted Net Position

Restrictions on net position at year end are summarized as follows:

	<u>Expendable</u>
Sewer study (STEAP grant)	\$ 147,030
Water study (STEAP grant)	36,895
Village water line (STEAP grant)	243,243
Town Clerk document restoration	2,846
LOCIP capital improvements	23,316
Scholarships	<u>41,056</u>
	<u>\$ 494,386</u>

Fund Balances

As of June 30, 2016, governmental fund balances are composed of the following:

	General Fund	Capital Nonrecurring	Capital Projects Fund	Emergency Services Center	Other Funds	Total Governmental Funds
Non-spendable:						
Prepaid expenses \$ 2,429	-	-	-	-	-	\$ 2,429
Inventory	-	-	-	-	<u>3,378</u>	<u>3,378</u>
	<u>2,429</u>	-	-	-	<u>3,378</u>	<u>5,807</u>
Restricted:						
Capital projects	-	26,162	427,168	-	-	453,330
Education	-	-	-	-	<u>41,056</u>	<u>41,056</u>
	-	<u>26,162</u>	<u>427,168</u>	-	<u>41,056</u>	<u>494,386</u>
Committed:						
Capital projects	-	147,050	651,765	-	-	798,815
Inland Wetland mitigation	-	-	-	-	13,248	13,248
Open space	-	-	-	-	<u>6,788</u>	<u>6,788</u>
	-	<u>147,050</u>	<u>651,765</u>	-	<u>20,036</u>	<u>818,851</u>
Assigned:						
General govt .	4,721	-	-	-	-	4,721
Public safety	13,678	-	-	-	-	13,678
Public works	151,771	-	-	-	-	151,771
Education	<u>29,822</u>	-	-	-	<u>36,168</u>	<u>65,990</u>
	<u>199,992</u>	-	-	-	<u>36,168</u>	<u>236,160</u>
Unassigned	<u>1,911,561</u>	-	-	<u>(1,033,521)</u>	<u>(5,582)</u>	<u>872,458</u>
	<u>\$ 2,113,982</u>	<u>\$ 173,212</u>	<u>\$ 1,078,933</u>	<u>(1,033,521)</u>	<u>\$ 95,056</u>	<u>\$ 2,427,662</u>

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

Note 10 – Deficit Fund Balances

The Emergency Services Center and Education Grants funds have deficit fund balances of \$1,033,521 and \$5,582, respectively, and are expected to be funded by the General Fund, issuance of debt, and intergovernmental grants.

Note 11 – Employee Retirement Plans

The Town maintains three defined contribution plans. The plans are required to be reported as pension trust funds in the financial statements. The pension funds can be changed based on a change in Town policy and the agreement of the collective bargaining units.

Board of Education Pension Plans

At June 30, 2016, there were 13 participants in the Board of Education defined contribution plans below, which are administered as one plan by National Retirement Services, Inc.

Plan #2119

Eligibility in the plan is limited to secretaries, custodians, and the cafeteria administrator all of whom must have completed one-half year of service and have attained the age of twenty and one-half. Participants may contribute voluntarily to the plan. The Town annually contributes an amount equal to 10% of each participant's compensation. Participants are fully vested immediately upon participation in the plan. For the year ended June 30, 2016, the Town contributed \$25,424 to the plan.

Plan #30027

Eligibility in the Board of Education CNBU Money Purchase plan is limited to those employees of the Board of Education who are not participants in the Board of Education Pension Plan above. All participants must have completed six months of service and must have attained age twenty and one-half. Participants may contribute voluntarily to the plan. The Town annually contributes 14% of each participant's compensation. Participants are fully vested immediately upon participation in the plan. For the year ended June 30, 2016, the Town contributed \$60,140 to the plan.

General Government Pension Plan

Eligibility in the plan is limited to the Town Clerk, Tax Collector, members of the United Steelworkers of America (USWA), Municipal Employees Union Independent (MEUI), and Salaried Employees of North America (a division of the USWA) who have completed one year of service. Participants may voluntarily contribute to the plan. The Town's funding policy is as follows:

Municipal Employee Union Independent	7.5% of annual compensation
United Steelworkers of America	8.75% of annual compensation
All other participants employed before 12/01/96	10% of annual compensation
All other participants employed on or after 12/01/96	4% of annual compensation

For the year ended June 30, 2016, the Town contributed \$121,762 to the plan all of which is allocated to the participants' individual retirement. The plan is administered by the Town. There were 22 participants in the plan.

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

Connecticut Teachers' Retirement System

Description of System

Teachers within the Town's school system participate in a retirement system administered by the Connecticut State Teachers' Retirement Board. This Connecticut State Teachers' Retirement System (the "System") is a cost sharing multiple employer defined benefit pension system with a special funding situation.

The System is considered a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106 or by calling (860) 702-3480.

The System is administered under the provisions of Chapter 167a of the Connecticut General Statutes (CGS). Participation in the System is restricted to certified staff employed in the public schools of Connecticut and members of the professional staff of the State Department of Education or the board of Governors of Higher Education and their constituent units. Participation in the System is mandatory for certified personnel of local boards of education who are employed for an average of at least one-half of a school day. Members of the professional staff of the State Department of Education or the Board of Governors of Higher Education and their constituent units may elect to participate in this system, the State Employees' Retirement System, or the Alternate Retirement System (TIAA-CREF).

Summary of Significant Accounting Policies

For purposes of measuring the liability, deferred outflows of resources and deferred inflows of resources, and expense associated with the State's requirement to contribute to the System, information about the System's fiduciary net position and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Benefits Provided

The benefits provided to participants by the System are as follows:

Normal Benefit: A member at age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut, is eligible for vested benefits of 2% of average annual salary times years of credited service (maximum benefit is 75% of average annual salary.)

Prorated Benefit: A member who completes 10 years of Connecticut public school service is eligible for a vested benefit commencing at age 60. The benefit is 2% less 0.1% for each year less than 20 years of average annual salary times years of credited service.

Minimum Benefit: Effective January 1, 1999, Public Act 98-251 provides a minimum monthly retirement benefit of \$1,200 to teachers who retire under the Normal Benefit provisions and who have completed at least 25 years of full time Connecticut service at retirement.

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

Contribution Requirements

The pension contributions made by the State to the System are determined on an actuarial reserve basis as described in CGS Sections 10-1831 and 10-183z.

Participants are required to contribute 7.25% of their annual salary rate to the System as required by CGS Section 10-183b (7). For the 2015/2016 school year, \$445,582 mandatory contributions were deducted from the salaries of teachers who were participants of the System during that school year. The estimated covered payroll for the Town is \$6,145,952. The Town had 91 active participants in the System at June 30, 2016.

Actuarial Assumptions

The actuarial assumptions used in the June 30, 2014, valuation were based on the results of an actuarial experience study for the period July 1, 2005 – June 30, 2010. The total pension liability was determined by an actuarial valuation as of June 30, 2014, using the following key actuarial assumptions:

Inflation	3.00 Percent
Salary increases, including inflation	3.75-7.00 Percent
Long-term investment rate of return, net of pension investment expense, including inflation	8.50 Percent

Mortality rates were based on the RP-2000 Combined Mortality Table RP-2000 projected 19 years using scale AA, with a two-year setback for males and females for the period after service retirement and for dependent beneficiaries. The Scale AA projection to 2019 of the RP-2000 mortality rates with two-year setbacks continues to provide a sufficient margin in the assumed rates of mortality to allow for additional improvement in mortality experience. The post-retirement mortality rates are multiplied by 75% for death in active service. The post-retirement mortality rates are set forward ten years for the period after disability retirement.

The long-term expected rate of return on pension investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Mutual Equity	21.0%	7.3%
Developed Markets ISF	18.0%	7.5%
Emerging Markets ISF	9.0%	8.6%
Core Fixed Income	7.0%	1.7%
Emerging Market Debt	5.0%	4.8%
High Yield	5.0%	3.7%
Inflation Linked Bonds	3.0%	1.3%
Liquidity Fund	6.0%	0.4%

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	Long-Term Expected <u>Real Rate of Return</u>
Real Estate	7.0%	5.9%
Private Investments	11.0%	10.9%
Alternative Investments	6.0%	0.7%

Discount Rate

The discount rate used to measure the total pension liability was 8.50 percent. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined rates in future years. Based on those assumptions, the pension's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Town's proportionate share of the net pension liability of the System, calculated using the discount rate of 8.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.50 percent) or 1-percentage-point higher (9.50 percent) than the current rate.

	1% Decrease (7.50%)	Current Discount Rate (8.50%)	1% Increase (9.50%)
Sensitivity of the system's proportionate share of the net pension liability related to the Town	\$ 20,642,832	\$ 16,369,155	\$ 12,736,498

Pension Liabilities, Pension Expense, and Deferred Inflows/Outflows of Resources

The State makes all contributions to the System on behalf of employees of the participating districts. Therefore, participating employers are considered to be in a special funding situation as defined by Governmental Accounting Standards Board No. 68 and the State is treated as a non-employer contributing entity in the System. Since the districts do not contribute directly to the System, there is no net pension liability or deferred inflows or outflows to report in the financial statements of the Town. The portion of the net pension liability that was associated with the Town was \$16,369,155 and 100% of the collective net pension liability is allocated to the State.

June 30, 2014 is the actuarial valuation date upon which the total pension liability is based. The total pension liability is determined as of June 30, 2015 using standard roll forward techniques.

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

The roll forward calculation adds the annual normal cost (also called the service cost), subtracts the actual benefit payments and refunds for the plan year and then applies the expected investment rate of return for the year. The procedure was used to determine the System's total pension liability as of June 30, 2015, which is the measurement date.

The Town recognized the total pension expense associated with the Town as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the Town. For the fiscal year ended June 30, 2016, the Town recognized \$1,311,584 as the amount expended by the State on behalf of the Town to meet the State's funding requirements.

Note 12 – Risk Management

The Town is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters for which the town carries commercial insurance. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or four prior years.

The Town currently is a member of the Connecticut Interlocal Risk Management Agency (CIRMA), a public entity risk pool established under the provisions of Connecticut General Statutes Section 7-479a et. seq. for some of its insurance. The Town is liable only for contributions to the pool. Members do not retain the risk of loss, as they have transferred the risk by purchasing coverage with no deductible retention. A separate agreement states limits on the member's obligation to pay indemnification obligations and expenses should CIRMA be unable to do so.

Note 13 – Contingent Liabilities and Commitments

Grants

Amounts received, or receivable from grant agencies, are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

Various Lawsuits

The Town is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Town's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the Town.

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

Note 14 – Other Post Employment Benefits (OPEB)

Plan Description

The North Stonington Public Schools Other Post Employment Benefit Program is a single-employer defined benefit plan administered by the Town of North Stonington, Connecticut, in accordance with various collective bargaining agreements. The plan does not issue separate financial statements.

Eligibility Teachers and Administrators – A teacher or administrator retiring under the Connecticut State Teachers' Retirement System shall be eligible to receive health benefits for self and spouse. Normal retirement for teachers and administrators is the earlier of age 60 with 20 years of service, or completion of 35 years of service regardless of age. Early retirement is the earlier of age 60 with 10 years of service, any age with 25 years of service.

All Others – A member retiring at age 55 years or older shall be eligible to continue health insurance coverage for self and spouse. Coverage is pre-65 only.

Medical and Dental Benefits: Teachers and Administrators – Employees and their spouses are eligible to continue medical and dental coverage upon retirement by paying the full cost of the applicable premium. Teachers and administrators eligible to participate in Medicare are allowed to continue coverage until age 65. Teachers and administrators hired prior to April 1, 1986, who are not eligible to participate in Medicare are allowed to continue coverage for their life and the life of their spouse.

Life Insurance: Administrators receive \$50,000 from retirement until age 65 paid for by the Town.

Actuarial Assumptions and Methods

Latest Actuarial Date	July 1, 2014
Actuarial Cost Method	Projected Unit Credit
Discount Rate	4.00%
Payroll Growth Rate	4.50%
Medical Inflation	Initial rate of 8.5% grading down to an ultimate inflation rate of 5% over a 10 year period.
Amortization Method	Open, level percentage of projected payroll over 30 years.
Mortality Table	RP-2000 Health Mortality Table projected generationally with Scale AA.
Disability Rates	None assumed.
Turnover	Teachers and Administrators – rates based on gender and length of service for the first 10 years and gender and age thereafter. All others – rates based on age.
Retirement	Teachers and Administrators – rates based on age, eligibility for pension benefits, and gender. All others – 5% at age 55 with 10 years of service as a base and increasing thereafter.

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

Future Retiree Coverage	Teachers and Administrators – 9% are assumed to elect coverage at retirement.
Future Dependent Coverage	All others – 10% are assumed to elect coverage at retirement. Male 50%; Female 30% with female spouses assumed to be 3 years younger than males.

Schedule of Funding Progress

There is no requirement for funding and the plan has not been funded. The Town has not yet established a formal funding plan or a trust.

Plan Participants

The plan had the following number of participants as of July 1, 2016:

Active	132
Retirees	5
Dependents	1
<u>Total</u>	<u>138</u>

Schedule of Employer Contributions

The schedule of employer contributions is as follows:

Schedule of Employer Contributions			
Year Ended June 30,	Annual Required Contribution	Actual Contribution	Percentage Contributed
2016	\$ 283,920	\$ 137,712	48.50%
2015	283,920	126,842	44.69%
2014	232,007	88,193	38.01%
2013	232,007	69,425	29.92%
2012	149,030	189,390	127.08%
2011	421,030	155,575	36.95%

Annual Required Contribution (ARC)

The Annual Required Contribution (ARC) for the OPEB plan consists of two pieces:

Past Service Cost (a catch-up accrual to amortize the Unfunded Accrued Liability). The amortization period is 30 years starting on July 1, 2007. The ARC is assumed to be paid at the beginning of the fiscal year. Interest is also calculated on the Unfunded Accrued Liability and added to the Annual Required Contribution.

Normal Cost is the present value of the portion of the projected benefit attributable to the current year (the cost of benefits earned each year should be accrued in that year).

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortization of any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The annual calculation of Annual Required Cost (ARC) is as follows:

Past Service Cost	\$ 179,547
Normal Cost	93,453
Interest	10,920
Annual Required Contribution (ARC)	<u>\$ 283,920</u>

Annual OPEB Cost and Net OPEB Obligation

The following table shows the components of the annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the Town's net OPEB obligation:

Annual required contribution (ARC)	\$ 283,920
Interest on net OPEB obligation	47,316
Adjustment to annual required contribution	(36,573)
Annual OPEB cost (AOC)	294,663
Contributions made	(137,712)
Increase in net OPEB obligation	156,951
Net OPEB obligation, beginning of year	<u>1,182,896</u>
Net OPEB obligation, end of year	<u>\$ 1,339,847</u>

Trend Information

Fiscal Year Ending	Annual OPEB Cost (AOC)	Actual Contribution Made	Percentage of AOC Contributed	Net OPEB Obligation
6/30/16	\$ 294,663	\$ 137,712	46.7%	\$ 1,339,847
6/30/15	293,152	126,842	43.3%	1,182,896
6/30/14	238,667	88,193	37.0%	1,016,586

Funded Status and Funding Progress: The funded status of the plan as of July 1, 2014 (the date of the most recent actuarial valuation) was as follows:

Actuarial Values of Assets (s)	Actuarial Accrued Liability (AAL) Projected Credit Cost Method (b)	(Unfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll	UAAL as a % of Covered Payroll ((b-a)/c)
\$ -	\$ 5,779,313	\$ 5,779,313	0.0%	\$ 7,626,130	75.8%

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of events in the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the Town are subject to continual revision, as actual results are compared with past expectations and new estimates are made about the future.

Other Disclosures

The calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing costs between the employer and plan members to that point. The actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

Note 15 – Recently Issued Accounting Standards

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements, except for GASB Statement No. 75, which will most likely have a material impact, though the amount has not yet been determined:

GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, addresses reporting by governments that provide OPEB to their employees and for governments that finance OPEB for employees of other governments. GASB Statement No. 75 requires governments to report a liability on the face of the financial statements for the OPEB that they provide:

Governments that are responsible only for OPEB liabilities related to their own employees and that provide OPEB through a defined benefit OPEB plan administered through a trust that meets specified criteria will report a net OPEB liability—the difference between the total OPEB liability and assets accumulated in the trust and restricted to making benefit payments.

Governments that participate in a cost-sharing OPEB plan that is administered through a trust that meets the specified criteria will report a liability equal to their proportionate share of the collective OPEB liability for all entities participating in the cost-sharing plan.

Governments that do not provide OPEB through a trust that meets specified criteria will report the total OPEB liability related to their employees.

GASB Statement No. 75 carries forward from GASB Statement No. 45 the option to use a specified alternative measurement method in place of an actuarial valuation for purposes of determining the total OPEB liability for benefits provided through OPEB plans in which there are fewer than 100 plan members (active and inactive). This option was retained in order to reduce costs for smaller governments. The provisions of this Statement are effective for fiscal years beginning after June 15, 2017.

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

GASB Statement No. 77, Tax Abatement Disclosures. Financial statements prepared by state and local governments in conformity with generally accepted accounting principles provide citizens and taxpayers, legislative and oversight bodies, municipal bond analysts, and others with information they need to evaluate the financial health of governments, make decisions, and assess accountability. This information is intended, among other things, to assist these users of financial statements in assessing (1) whether a government's current-year revenues were sufficient to pay for current-year services (known as inter-period equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government's financial resources come from and how it uses them, and (4) a government's financial position and economic condition and how they have changed over time. This Statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements:

Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients

The gross dollar amount of taxes abated during the period

Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement

Governments should organize those disclosures by major tax abatement program and may disclose information for individual tax abatement agreements within those programs.

Tax abatement agreements of other governments should be organized by the government that entered into the tax abatement agreement and the specific tax being abated. Governments may disclose information for individual tax abatement agreements of other governments within the specific tax being abated. For those tax abatement agreements, a reporting government should disclose:

The names of the governments that entered into the agreements

The specific taxes being abated

The gross dollar amount of taxes abated during the period

The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. Earlier application is encouraged.

GASB Statement No. 78, Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans. This standard narrows the scope and applicability of GASB Statement No. 68, Accounting and Financial Reporting for Pensions, to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan meeting specific criteria; establishes new guidance for these employers, including separate requirements for recognition and measurement of pension expense or expenditures and liabilities, note disclosures and required supplementary information (RSI). The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. Earlier application is encouraged.

Town of North Stonington Annual Report 2015-2016

Notes to Financial Statement June 30, 2016 (continued)

GASB Statement No. 79, Certain External Investment Pools and Pool Participants. This standard establishes new criteria to continue amortization cost accounting for certain external investment pools in light of recent changes to money market fund criteria. The portfolio quality and monthly shadow pricing requirements of this Statement are effective for periods beginning after December 15, 2015. Earlier application is encouraged.

GASB Statement No. 80, Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of GASB Statement No. 14, The Financial Reporting Entity, as amended. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of GASB Statement No. 39, Determining Whether Certain Organizations Are Component Units. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. Earlier application is encouraged.

GASB Statement No. 81, Irrevocable Split-Interest Agreements. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively. Earlier application is encouraged.

GASB Statement No. 82, Pension Issues—An Amendment of GASB Statements No. 67, No. 68, and No. 73. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of paragraph 7 in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements of paragraph 7 are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Earlier application is encouraged.

Note 16 – Subsequent Events

During the current year, the Town issued a new bond anticipation note (BAN) in the amount of \$2,000,000. Subsequent to year end, the new BANS were paid off through the issuance of \$7,146,000 of BANS. The additional proceeds will be used for the Emergency Services Center and the School Modernization Project.

Town of North Stonington Annual Report 2015-2016

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Town's proportion of the net pension liability	0.00%	0.00%
Town's proportionate share of the net pension liability	\$	\$
State's proportionate share of the net pension liability associated with the Town	16,369,155	15,130,003
Total	<u>\$16,369,155</u>	<u>\$15,130,003</u>
Town's covered-employee payroll	<u>6,145.952</u>	<u>5,900.786</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>0.00%</u>	<u>0.00%</u>
System fiduciary net position as a percentage of the total pension liability	<u>59.50%</u>	<u>61.51%</u>

Notes to Connecticut State Teachers' Retirement System

Changes of Assumptions

In 2011, rates of withdrawal, retirement, and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five year period ended June 30, 2010.

Method and Assumptions used in Calculations of Actuarially Determined Contributions

The actuarially determined contributions in the schedule of employer contributions are calculated as of June 30 each biennium for the fiscal years ending two and three years after the valuation date. The following actuarial methods and assumptions were used to determine the most recent contributions reported in that schedule:

Actuarial cost method	Entry age
Amortization method	Level percent of pay, closed
Single equivalent amortization period	22.4 years
Asset valuation method	4-year smoothed market
Inflation	3.00 percent
Salary increase	3.75-7.00 percent, including inflation
Investment rate of return	8.50 percent, net of investment related expense

See accompanying Independent Auditors' Report

Town of North Stonington Annual Report 2015-2016

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts			Actual	Variance With Final Budget Positive (Negative)
	Original	Transfers	Final		
Revenues:					
Property taxes, interest and lien fees:					
General property taxes - current	\$ 13,431,491	\$ -	\$ 13,431,491	\$ 13,399,907	\$ (31,584)
General property taxes - past	150,000	-	150,000	93,753	(56,247)
Supplemental motor vehicles	85,000	-	85,000	124,123	39,123
Interest and lien fees	85,000	-	85,000	98,547	13,547
	<u>13,751,491</u>	<u>-</u>	<u>13,751,491</u>	<u>13,716,330</u>	<u>(35,161)</u>
Interest and investment earnings	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>2,416</u>	<u>416</u>
Intergovernmental:					
Education cost sharing	2,906,538	-	2,906,538	2,899,696	(6,842)
Casino revenue	896,887	-	896,887	893,244	(3,643)
State aid for town road	239,744	-	239,744	240,033	289
Local and vocational transportation	59,365	-	59,365	50,114	(9,251)
Local capital improvement program	47,925	-	47,925	49,000	1,075
Police reimbursement	50,000	-	50,000	56,159	6,159
Telecommunications revenue share	30,000	-	30,000	15,344	(14,656)
PILOT program reimbursement	22,214	-	22,214	-	(22,214)
Elderly exemption reimbursement	40,400	-	40,400	39,748	(652)
Magnet school transportation	19,500	-	19,500	-	(19,500)
Regional adult education	7,623	-	7,623	7,797	174
Veterans exemption reimbursement	6,000	-	6,000	5,899	(101)
Records preservation	5,000	-	5,000	3,000	(2,000)
Non-public nurse reimbursement	4,545	-	4,545	3,547	(998)
Disabled exemption reimbursement	500	-	500	615	115
Tuition reimbursement	28,856	-	28,856	33,841	4,985
STEAP	245,000	-	245,000	-	(245,000)
FEMA storm reimbursement	-	-	-	86,588	86,588
Boombridge road	-	-	-	2,771	2,771
	<u>4,610,097</u>	<u>-</u>	<u>4,610,097</u>	<u>4,387,396</u>	<u>(222,701)</u>
Licenses, fees, fines and charges:					
Licenses, permits, conveyance taxes	75,000	-	75,000	99,497	24,497
Recreation Commission	48,000	-	48,000	37,670	(10,330)
Building official	30,000	-	30,000	59,152	29,152
Town Clerk LOCIP	1	-	1	(27)	(28)
Town Clerk restoration fees	1,000	-	1,000	(9)	(1,009)
Sanitation	700	-	700	144	(556)
	<u>154,701</u>	<u>-</u>	<u>154,701</u>	<u>196,427</u>	<u>41,726</u>

Town of North Stonington Annual Report 2015-2016

GENERAL FUND SCHEDULE OF REVENUES - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts			Actual	Variance With Final Budget Positive (Negative)
	Original	Transfers	Final		
Other:					
Contractor's tipping fees	\$ 93,000	\$ -	\$ 93,000	\$ 119,148	\$ 26,148
Transfer stickers	-	-	-	89	89
Rent Town Property	37,600	-	37,600	39,322	1,722
Sale of town vehicles	1	-	1	3,600	3,599
Sanitary landfill - sale of recyclables	20,000	-	20,000	8,771	(11,229)
SCRRRA subsidy	10,750	-	10,750	11,079	329
Miscellaneous	20,000	-	20,000	18,779	(1,221)
Zoning Enforcement Officer	2,500	-	2,500	2,589	89
Town engineering - road inspection	1	-	1	-	(1)
Planning and Zoning	500	-	500	1,752	1,252
Inland Wetlands	500	-	500	797	297
Assessor's Office	500	-	500	452	(48)
GIS services	50	-	50	-	(50)
Conservation Commission	1	-	1	-	(1)
Canine account	50	-	50	1,811	1,761
Fire Marshall	1	-	1	350	349
Sale of fixed assets	1	-	1	500	499
Transfer in deobligated capital projects	1	-	1	22,859	22,858
CIRMA credits	7,501	-	7,501	2,114	(5,387)
	<u>192,957</u>	<u>-</u>	<u>192,957</u>	<u>234,012</u>	<u>41,055</u>
Total revenues	\$ 18,711,246	\$ -	\$ 18,711,246	\$ 18,536,581	\$ (174,665)

See accompanying Independent Auditors' Report.

Town of North Stonington Annual Report 2015-2016

GENERAL FUND SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts			Actual	Variance With Final Budget Positive (Negative)
	Original	Transfers	Final		
General Government:					
Salaries:					
First Selectman	\$ 61,200	\$ -	\$ 61,200	\$ 61,906	\$ (706)
Second Selectman	2,550	-	2,550	2,550	-
Third Selectman	2,550	-	2,550	2,550	-
Secretary	54,542	-	54,542	55,021	(479)
Bookkeeper	47,091	-	47,091	47,453	(362)
Boards of Commissions clerical	250	-	250	-	250
Selectmen's expenditures	2,500	-	2,500	2,425	75
Office expenditures	2,000	-	2,000	545	1,455
Council of Small Towns	825	-	825	825	-
Certifications/seminars	250	-	250	450	(200)
SE CT Council of Governments	2,913	-	2,913	2,913	-
Town beautification program	1	-	1	-	1
	<u>176,672</u>	<u>-</u>	<u>176,672</u>	<u>176,638</u>	<u>34</u>
Probate Court	<u>1,794</u>	<u>-</u>	<u>1,794</u>	<u>1,794</u>	<u>-</u>
Board of Finance:					
Operating expenditures	500	-	500	325	175
Auditing	15,000	-	15,000	15,450	(450)
Town Report	1	-	1	-	1
	<u>15,501</u>	<u>-</u>	<u>15,501</u>	<u>15,775</u>	<u>(274)</u>
Assessor's Office:					
Salaries:					
Assessor	66,558	-	66,558	67,070	(512)
Assessor assistant	45,573	-	45,573	45,923	(350)
Office expenditures	2,500	-	2,500	2,128	372
Seminars	300	-	300	-	300
Computer	10,675	-	10,675	10,470	205
Travel expenditures	300	-	300	-	300
	<u>125,906</u>	<u>-</u>	<u>125,906</u>	<u>125,591</u>	<u>315</u>
Board of Tax Review	<u>2,600</u>	<u>-</u>	<u>2,600</u>	<u>1,452</u>	<u>1,148</u>
Tax Collector:					
Salaries:					
Tax Collector	34,272	-	34,272	34,536	(264)
Clerical	5,217	(5,000)	217	-	217
Office expenditures	9,000	-	9,000	8,113	887
Computer	8,800	-	8,800	8,603	197
Travel expenditures	150	-	150	926	(776)
	<u>57,439</u>	<u>(5,000)</u>	<u>52,439</u>	<u>52,178</u>	<u>261</u>
Town Treasurer:					
Salary	6,825	-	6,825	6,878	(53)
	<u>6,825</u>	<u>-</u>	<u>6,825</u>	<u>6,878</u>	<u>(53)</u>
Town Attorney	<u>60,000</u>	<u>20,000</u>	<u>80,000</u>	<u>79,110</u>	<u>890</u>
Annexation Related:					
Annexation related	2,000	-	2,000	2,000	-
Tribal recognition	45,000	12,000	57,000	56,825	175
	<u>47,000</u>	<u>12,000</u>	<u>59,000</u>	<u>58,825</u>	<u>175</u>

See accompanying Independent Auditors' Report.

Town of North Stonington Annual Report 2015-2016

GENERAL FUND SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts				Variance With Final Budget Positive (Negative)
	Original	Transfers	Final	Actual	
Town Clerk:					
Salaries:					
Town Clerk	\$ 45,501	\$ -	\$ 45,501	\$ 45,851	\$ (350)
Assistant	16,650	(2,500)	14,150	13,848	302
Office expenditures	3,500	-	3,500	3,137	363
Records restoration grant	-	-	-	3,000	(3,000)
Land records	8,687	-	8,687	9,198	(511)
	<u>74,338</u>	<u>(2,500)</u>	<u>71,838</u>	<u>75,034</u>	<u>(3,196)</u>
Planning and Zoning Commission:					
Salaries:					
Zoning Officer	56,859	-	56,859	57,296	(437)
Assistant	39,686	-	39,686	37,860	1,826
Operating expenditures	7,530	-	7,530	4,913	2,617
Travel expenditures	1,500	-	1,500	1,196	304
Attorney	20,000	-	20,000	9,641	10,359
Contracted consulting services	2,000	-	2,000	385	1,615
Contracted planner	15,000	(10,000)	5,000	-	5,000
	<u>142,575</u>	<u>(10,000)</u>	<u>132,575</u>	<u>111,291</u>	<u>21,284</u>
Building Department:					
Salaries:					
Building Official	30,415	-	30,415	30,766	(351)
Operating expenditures	500	-	500	373	127
Travel expenditures	750	-	750	-	750
	<u>31,665</u>	<u>-</u>	<u>31,665</u>	<u>31,139</u>	<u>526</u>
Zoning Board of Appeals	<u>1,750</u>	<u>-</u>	<u>1,750</u>	<u>555</u>	<u>1,195</u>
School Building and Planning Committee:					
Permanent School Building Committee	100	-	100	-	100
Ad Hoc School Building Committee	25,000	-	25,000	22,799	2,201
	<u>25,100</u>	<u>-</u>	<u>25,100</u>	<u>22,799</u>	<u>2,301</u>
Economic Development Commission:					
Operating expenditures	8,125	-	8,125	4,499	3,626
CT Regional Economic Development Consulting	1,852	-	1,852	2,154	(302)
	<u>31,795</u>	<u>-</u>	<u>31,795</u>	<u>24,450</u>	<u>7,345</u>
	<u>41,772</u>	<u>-</u>	<u>41,772</u>	<u>31,103</u>	<u>10,669</u>
Recreation Commission:					
Salaries:					
Administrative	23,418	-	23,418	23,868	(450)
Camp Directors, etc.	11,544	-	11,544	11,210	334
Program expenditures	44,642	-	44,642	49,564	(4,922)
Maintenance	3,450	-	3,450	727	2,723
Administrative expenditures	10,865	-	10,865	13,371	(2,506)
	<u>93,919</u>	<u>-</u>	<u>93,919</u>	<u>98,740</u>	<u>(4,821)</u>
Inland Wetlands Commission:					
Operating expenditures	1,500	-	1,500	761	739
Wages - Enforcement Officer	7,027	-	7,027	7,027	-
	<u>8,527</u>	<u>-</u>	<u>8,527</u>	<u>7,788</u>	<u>739</u>
Conservation Commission	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>1,906</u>	<u>94</u>

See accompanying Independent Auditors' Report.

Town of North Stonington Annual Report 2015-2016

GENERAL FUND SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts			Actual	Variance With Final Budget Positive (Negative)
	Original	Transfers	Final		
Water Pollution Control Authority:					
WPCA expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
WPCA engineering expenditures	-	-	-	-	-
WPCA auditing	-	-	-	-	-
	-	-	-	-	-
Fixed Charges:					
Town insurance	65,000	-	65,000	65,139	(139)
Volunteer fire co. insurance	25,000	-	25,000	23,520	1,480
Ambulance association insurance	11,160	-	11,160	10,636	524
Workers compensation insurance	18,350	-	18,350	17,620	730
Social security	125,200	(4,500)	120,700	111,372	9,328
Medical insurance	354,898	-	354,898	337,893	17,005
Employee benefits - pension	115,726	-	115,726	110,586	5,140
Volunteer incentive award - fire	33,000	-	33,000	30,491	2,509
Volunteer activity stipend - fire	48,000	-	48,000	48,000	-
Volunteer incentive ambulance	7,500	-	7,500	6,630	870
	803,834	(4,500)	799,334	761,887	37,447
Elections and Town Meetings:					
Salaries:					
Registrar of Voters	5,134	-	5,134	5,134	-
Registrar of Voters	5,134	-	5,134	5,134	-
Expenses	25,000	-	25,000	18,879	6,121
	35,268	-	35,268	29,147	6,121
Town Hall:					
Expenditures	48,975	-	48,975	47,002	1,973
Leasing equipment	10,000	-	10,000	8,734	1,266
Holly Green rental - nursing	7,000	-	7,000	7,051	(51)
Quarterly newsletter	-	3,300	3,300	3,372	(72)
	65,975	3,300	69,275	66,159	3,116
Social Services/Welfare:					
Social Services expenses	7,825	-	7,825	7,328	497
New London Hospitality Center	500	-	500	-	500
Pawcatuck Neighborhood Center	19,500	-	19,500	19,500	-
Family services	1,000	-	1,000	1,000	-
American Red Cross	500	-	500	500	-
Women's Center	2,500	-	2,500	2,500	-
Frank Olean Regional Center	1,000	-	1,000	1,000	-
NL County ARC	1,575	-	1,575	1,575	-
Easter Seals Rehabilitation Center	1,000	-	1,000	1,000	-
TVCCA	1,500	-	1,500	1,500	-
Literacy volunteers	500	-	500	500	-
Salvation Army	500	-	500	500	-
Mystic Shelter	2,000	-	2,000	2,000	-
United Way of SE CT	500	-	500	500	-
	40,400	-	40,400	39,403	997
Selectmen's Engineering Service:					
Engineering for selectmen	2,500	-	2,500	5,566	(3,066)
Inspection of existing roads	2,500	-	2,500	-	2,500
	5,000	-	5,000	5,566	(566)

See accompanying Independent Auditors' Report.

Town of North Stonington Annual Report 2015-2016

GENERAL FUND SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts			Actual	Variance With Final Budget Positive (Negative)
	Original	Transfers	Final		
Information Technology:					
Coordinator	\$ 38,792	\$ (10,000)	\$ 28,792	\$ 26,593	\$ 2,199
Office expense	300	-	300	90	210
On-line GIS maps	12,000	-	12,000	8,575	3,425
Computer maintenance	13,725	-	13,725	16,020	(2,295)
	<u>64,817</u>	<u>(10,000)</u>	<u>54,817</u>	<u>51,278</u>	<u>3,539</u>
Public Safety:					
911 dispatching	52,819	-	52,819	52,819	-
Volunteer fire company	123,988	-	123,988	123,988	-
Fire Marshal	12,118	-	12,118	12,118	-
Fire Marshal operating expenditures	2,000	-	2,000	1,660	340
State troopers	460,468	44,100	504,568	488,742	15,826
Civil preparedness agency stipend	6,242	-	6,242	6,242	-
Civil preparedness expenditures	3,000	-	3,000	2,303	697
Emergency generator service contract	1,800	-	1,800	1,386	414
Animal control salary	20,685	-	20,685	21,108	(423)
Animal control assistant salary	1,000	-	1,000	-	1,000
Animal control operating expenditures	9,550	-	9,550	5,801	3,749
Dog damages	1	-	1	-	1
Ambulance association	265,000	-	265,000	265,000	-
	<u>958,671</u>	<u>44,100</u>	<u>1,002,771</u>	<u>981,167</u>	<u>21,604</u>
Public Works:					
Highway:					
Local capital improvements	49,000	-	49,000	-	49,000
State aided - town roads	239,744	-	239,744	239,716	28
Town road maintenance	200,000	-	200,000	200,180	(180)
Town garage expenditures	23,000	-	23,000	21,354	1,646
Machinery and maintenance repairs	65,000	-	65,000	72,745	(7,745)
Street lights	10,000	-	10,000	9,930	70
Highway foreman	82,766	-	82,766	85,305	(2,539)
Labor	550,117	-	550,117	528,991	21,126
Supplies	36,000	-	36,000	35,951	49
Diesel and gas	65,000	-	65,000	51,952	13,048
Town property - maintenance	7,750	-	7,750	7,674	76
Town property - labor	12,750	-	12,750	12,750	-
Tree warden	1,500	-	1,500	1,500	-
Hewitt farm property	5,000	-	5,000	3,280	1,720
Tree maintenance	25,000	-	25,000	23,822	1,178
Contracted services	19,527	-	19,527	20,450	(923)
	<u>1,392,154</u>	<u>-</u>	<u>1,392,154</u>	<u>1,315,600</u>	<u>76,554</u>
Sanitary Landfill:					
Labor	174,648	-	174,648	174,824	(176)
State mandated surveys	3,200	-	3,200	2,900	300
State license fees	2,300	-	2,300	3,075	(775)
SCRRA - tipping fees	155,000	-	155,000	177,422	(22,422)
SCRRA - membership fee	500	-	500	-	500
Hazardous waste collection	1,500	-	1,500	-	1,500
Water sampling /lab testing	17,250	-	17,250	13,900	3,350
Transfer station expenditures	11,751	-	11,751	10,033	1,718
Contractual services	16,500	-	16,500	15,513	987
	<u>382,649</u>	<u>-</u>	<u>382,649</u>	<u>397,667</u>	<u>(15,018)</u>
Total public works	<u>1,774,803</u>	<u>-</u>	<u>1,774,803</u>	<u>1,713,267</u>	<u>61,536</u>

See accompanying Independent Auditors' Report.

Town of North Stonington Annual Report 2015-2016

GENERAL FUND SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts			Actual	Variance With Final Budget Positive (Negative)
	Original	Transfers	Final		
Conservation of Health:					
Public Health Nursing/VNA	\$ 2,278	\$ -	\$ 2,278	\$ 1,846	\$ 432
Hepatitis B vaccinations	-	-	-	-	-
Director of Health	6,495	-	6,495	6,495	-
Director of Health operating expenditures	500	-	500	53	447
Sanitarian food service wages	6,000	-	6,000	4,220	1,780
Sanitarian well and septic salary	15,765	-	15,765	15,449	316
Sanitarian operating expenditures	400	-	400	-	400
	<u>31,438</u>	<u>-</u>	<u>31,438</u>	<u>28,063</u>	<u>3,375</u>
Senior Citizens:					
Agent for the Elderly wages	12,123	-	12,123	12,216	(93)
Agent for the Elderly operating expenditures	1,200	-	1,200	100	1,100
Senior Citizens Center Coordinator	21,500	-	21,500	21,665	(165)
Senior Citizens Center - operating expenditures	25,000	-	25,000	25,659	(659)
	<u>59,823</u>	<u>-</u>	<u>59,823</u>	<u>59,640</u>	<u>183</u>
Miscellaneous:					
Cemeteries	5,000	-	5,000	3,205	1,795
Tax refunds	1	-	1	1,656	(1,655)
Annual memberships and dues	3,800	-	3,800	3,320	480
Magnet school transportation	19,500	-	19,500	-	19,500
Wheeler Library	26,000	-	26,000	26,000	-
Affordable housing committee	1,000	-	1,000	355	645
Miscellaneous	750	-	750	167	583
	<u>56,051</u>	<u>-</u>	<u>56,051</u>	<u>34,703</u>	<u>21,348</u>
Total general government expenditures	4,811,463	47,400	4,858,863	4,668,876	189,987
Redemption of Debt:					
BAN Interest	8,942	-	8,942	9,089	(147)
Engine refurbishment	37,500	-	37,500	37,500	-
Stonewalls	93,000	-	93,000	93,000	-
Sewer study	53,500	-	53,500	53,500	-
Hewitt dam repairs	116,000	-	116,000	116,000	-
	<u>308,942</u>	<u>-</u>	<u>308,942</u>	<u>309,089</u>	<u>(147)</u>
Education	12,759,102	-	12,759,102	12,701,206	57,896
Capital Outlay:					
Public Works:					
Miscellaneous equipment	5,000	-	5,000	5,000	-
Sweeper	38,973	-	38,973	38,973	-
Dump truck refurbish	10,000	-	10,000	10,000	-
	<u>53,973</u>	<u>-</u>	<u>53,973</u>	<u>53,973</u>	<u>-</u>
Transfer Station/Bulk Waste Area	12,500	-	12,500	12,500	-

See accompanying Independent Auditors' Report.

Town of North Stonington Annual Report 2015-2016

GENERAL FUND SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts			Actual	Variance With Final Budget Positive (Negative)
	Original	Transfers	Final		
Capital Outlay (Continued):					
Selectmen:					
Ambulance equipment	\$ 29,500	\$ -	\$ 29,500	\$ 29,500	\$ -
Computer - Town Hall	13,500	-	13,500	13,500	-
Recreation lighting conversion	25,000	-	25,000	25,000	-
Recreation pavilion & fields	2,500	-	2,500	2,500	-
Open space acquisition	10,000	-	10,000	10,000	-
Selectmen's office equipment and furniture	1,500	-	1,500	1,500	-
Town buildings maintenance	30,000	-	30,000	30,000	-
Town clerk - records preservation	5,000	-	5,000	5,000	-
Fire company - equipment/hose	4,500	-	4,500	4,500	-
Fire company - training	1,000	-	1,000	1,000	-
Fire company - turnout gear	16,000	-	16,000	16,000	-
Fire company - meter replacement	5,865	-	5,865	5,865	-
Fire company - rescue gear	3,000	-	3,000	3,000	-
Civil preparedness	1,000	-	1,000	1,000	-
NSAA ambulance	213,900	-	213,900	213,900	-
Wheeler Library repair	50,000	-	50,000	50,000	-
Boombridge	-	139,330	139,330	139,330	-
Fire company - scuba	7,600	-	7,600	7,600	-
	<u>419,865</u>	<u>139,330</u>	<u>559,195</u>	<u>559,195</u>	<u>-</u>
Assessor Revaluation Expense	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Nonrecurring School Expenditures	<u>75,000</u>	<u>-</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Other Capital	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital outlay	<u>611,338</u>	<u>139,330</u>	<u>750,668</u>	<u>750,668</u>	<u>-</u>
Total expenditures	<u>\$ 18,490,845</u>	<u>\$ 186,730</u>	<u>\$ 18,677,575</u>	<u>\$ 18,429,839</u>	<u>\$ 247,736</u>

See accompanying Independent Auditors' Report.

Town of North Stonington Annual Report 2015-2016

TOWN OF NORTH STONINGTON, CONNECTICUT NONMAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET JUNE 30, 2016

	School Lunch Fund	Education Grants	Inland Wetland Mitigation	Open Space	Scholarships Held by School	Housing Rehab Program	Total
Assets							
Cash and cash equivalents	\$ 30,448	\$ -	\$ -	\$ -	\$ 41,056	\$ 487	\$ 71,991
Receivables	8,635	-	-	-	-	-	8,635
Inventory	3,378	-	-	-	-	-	3,378
Due from other funds	6,709	8,376	13,248	6,788	-	-	35,121
Total assets	\$ 49,170	\$ 8,376	\$ 13,248	\$ 6,788	\$ 41,056	\$ 487	\$ 119,125
Liabilities and Fund Balances (Deficits)							
Liabilities:							
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued expenses	9,624	-	-	-	-	-	9,624
Deferred grant revenue	-	13,958	-	-	-	487	14,445
Total liabilities	9,624	13,958	-	-	-	487	24,069
Fund Balances (Deficits):							
Nonspendable	3,378	-	-	-	-	-	3,378
Restricted	-	-	-	-	41,056	-	41,056
Committed	-	-	13,248	6,788	-	-	20,036
Assigned	36,168	-	-	-	-	-	36,168
Unassigned	-	(5,582)	-	-	-	-	(5,582)
Total fund balances (deficits)	39,546	(5,582)	13,248	6,788	41,056	-	95,056
Total liabilities and fund balances (deficits)	\$ 49,170	\$ 8,376	\$ 13,248	\$ 6,788	\$ 41,056	\$ 487	\$ 119,125

See accompanying Independent Auditors' Report.

Town of North Stonington Annual Report 2015-2016

TOWN OF NORTH STONINGTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS)
FOR THE YEAR ENDED JUNE 30, 2016

	School Lunch Fund	Education Grants	Inland Wetland Mitigation	Open Space	Scholarships Held by School	Housing Rehab Program	Total
Revenues:							
Intergovernmental	\$ 94,922	\$ 274,466	\$ -	\$ -	\$ -	\$ 219,339	\$ 588,727
Local	183,042	-	6	3,203	4,600	-	190,851
Total revenues	277,964	274,466	6	3,203	4,600	219,339	779,578
Expenditures:							
Current:							
General government	-	-	-	-	-	219,339	219,339
Education	236,166	273,774	-	-	13,540	-	523,480
Total expenditures	236,166	273,774	-	-	13,540	219,339	742,819
Excess of revenues over (under) expenditures	41,798	692	6	3,203	(8,940)	-	36,759
Other Financing Sources (Uses):							
Transfers in (out)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balances (deficits)	41,798	692	6	3,203	(8,940)	-	36,759
Fund balances (deficits), beginning of year	(2,252)	(6,274)	13,242	3,585	49,996	-	58,297
Fund balances (deficits), end of year	\$ 39,546	\$ (5,582)	\$ 13,248	\$ 6,788	\$ 41,056	\$ -	\$ 95,056

See accompanying Independent Auditors' Report.

Town of North Stonington Annual Report 2015-2016

**FIDUCIARY FUNDS
PENSION TRUST FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2016**

	General Government Retirement	Board of Education Retirement	Total
<u>Assets</u>			
Investments	\$ 1,827,520	\$ 1,159,766	\$ 2,987,286
Other receivables	101,142	-	101,142
Total assets	\$ 1,928,662	\$ 1,159,766	\$ 3,088,428
<u>Fund Balances</u>			
Fund Balances:			
Held in trust for pension benefits and other purposes	\$ 1,928,662	\$ 1,159,766	\$ 3,088,428
Total fund balances	\$ 1,928,662	\$ 1,159,766	\$ 3,088,428

See accompanying Independent Auditors' Report.

Town of North Stonington Annual Report 2015-2016

FIDUCIARY FUNDS PENSION TRUST FUNDS COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FOR THE YEAR ENDED JUNE 30, 2016

	General Government Retirement	Board of Education Retirement	Total
<u>Additions:</u>			
Employer contributions	\$ 121,762	\$ 85,704	\$ 207,466
Investment earnings (losses)	(12,003)	7,931	(4,072)
Total additions	<u>109,759</u>	<u>93,635</u>	<u>203,394</u>
<u>Deductions:</u>			
Distributions	46,743	11,215	57,958
Total deductions	<u>46,743</u>	<u>11,215</u>	<u>57,958</u>
Net increase (decrease)	63,016	82,420	145,436
Fund balances, beginning of year	<u>1,865,646</u>	<u>1,077,346</u>	<u>2,942,992</u>
Fund balances, end of year	<u><u>\$ 1,928,662</u></u>	<u><u>\$ 1,159,766</u></u>	<u><u>\$ 3,088,428</u></u>

See accompanying Independent Auditors' Report.

Town of North Stonington Annual Report 2015-2016

FIDUCIARY FUNDS AGENCY FUNDS COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES JUNE 30, 2016

	Student Activity Fund	Performance Bonds	Total
<u>Assets</u>			
Beginning balance - cash	\$ 79,465	\$ 135,796	\$ 215,261
Additions	259,926	939	260,865
Deductions	264,731	-	264,731
Ending balance - cash	74,660	136,735	211,395
 Total assets	 \$ 74,660	 \$ 136,735	 \$ 211,395
<u>Liabilities</u>			
Beginning balance - due to student groups	\$ 79,465	\$ -	\$ 79,465
Additions	259,926	-	259,926
Deductions	264,731	-	264,731
Ending balance - due to student groups	74,660	-	74,660
 Beginning balance - due to developers	 -	 135,796	 135,796
Additions	-	-	-
Deductions	-	19,097	19,097
Ending balance - due to developers	-	116,699	116,699
 Beginning balance - due to other funds	 -	 -	 -
Additions	-	20,036	20,036
Deductions	-	-	-
Ending balance - due to other funds	-	20,036	20,036
 Total liabilities	 \$ 74,660	 \$ 136,735	 \$ 211,395

See accompanying Independent Auditors' Report.

Town of North Stonington Annual Report 2015-2016

TOWN OF NORTH STONINGTON, CONNECTICUT CAPITAL NONRECURRING FUND SCHEDULE OF CHANGES IN FUND BALANCE FOR THE YEAR ENDED JUNE 30, 2016

	Beginning Balance	General Fund Budget	Additional Transfers	Internal Transfers	Revenues	Total Available	Expenditures	Ending Balance
Restricted fund balance								
Town Clerk document restoration	\$ 2,071	\$ -	\$ -	\$ -	\$ 775	\$ 2,846	\$ -	\$ 2,846
LOCIP capital improvements	20,991	-	-	-	2,325	23,316	-	23,316
Total restricted	<u>23,062</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,100</u>	<u>26,162</u>	<u>-</u>	<u>26,162</u>
Committed fund balance								
Revaluation	59,913	50,000	-	-	-	109,913	44,375	65,538
Town equipment	9,863	5,000	-	-	-	14,863	4,565	10,298
Nonrecurring school funds	30	75,000	-	-	-	75,030	15,816	59,214
Town Clerk preservation	7,000	5,000	-	-	-	12,000	-	12,000
Total committed	<u>76,806</u>	<u>135,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>211,806</u>	<u>64,756</u>	<u>147,050</u>
Total	<u>\$ 99,868</u>	<u>\$ 135,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,100</u>	<u>\$ 237,968</u>	<u>\$ 64,756</u>	<u>\$ 173,212</u>

See accompanying Independent Auditors' Report.

Town of North Stonington Annual Report 2015-2016

TOWN OF NORTH STONINGTON, CONNECTICUT

CAPITAL PROJECTS FUND SCHEDULE OF CHANGES IN FUND BALANCE FOR THE YEAR ENDED JUNE 30, 2016

	Beginning Balance	General Fund Budget	Additional Transfers	Internal Transfers	Revenues	Total Available	Expenditures	Ending Balance
Restricted fund balance								
Water study 1-95 (STEAP)	\$ 126,954	\$ -	\$ -	\$ -	\$ -	\$ 126,954	\$ 90,059	\$ 36,895
Sewer study (STEAP)	159,310	-	-	-	-	159,310	12,280	147,030
Village water line (STEAP)	245,400	-	-	-	-	245,400	2,157	243,243
Total restricted	531,664	-	-	-	-	531,664	104,496	427,168
Committed fund balance								
Boombridge	25,557	-	139,330	-	-	164,887	11,646	153,241
Ambulance Association equipment	-	29,500	-	-	-	29,500	13,953	15,547
Town Hall computer	-	13,500	-	-	-	13,500	14,112	(612)
Selectmen furniture	-	1,500	-	-	-	1,500	1,500	-
Transfer station improvements	-	12,500	-	-	-	12,500	12,321	179
Wheeler Library repairs	-	50,000	-	-	-	50,000	50,000	-
Hewitt Dam	69,811	-	-	-	-	69,811	51,912	17,899
Land acquisition	30,000	10,000	-	-	-	40,000	-	40,000
Town building repair	40,823	30,000	-	-	-	70,823	10,770	60,053
Civil preparedness	-	1,000	-	-	-	1,000	998	2
Narrow band radio upgrade	119,491	-	-	-	-	119,491	2,711	116,780
Recreation pavilion & fields	-	2,500	-	-	-	2,500	2,114	386
Equipment hose	-	4,500	-	-	-	4,500	4,500	-
Turnout gear	-	16,000	-	-	-	16,000	16,000	-
NSAA ambulance	-	213,900	-	-	-	213,900	-	213,900
Recreation area light	-	25,000	-	-	-	25,000	610	24,390
Fire Department training, rescue, scuba gear	22,859	17,465	(22,859)	-	-	17,465	17,465	-
Sweeper	-	38,973	-	-	-	38,973	38,973	-
Bucket truck (used)	-	10,000	-	-	-	10,000	-	10,000
Total committed	308,541	476,338	116,471	-	-	901,350	249,585	651,765
Total	\$ 840,205	\$ 476,338	\$ 116,471	\$ -	\$ -	\$ 1,433,014	\$ 354,081	\$ 1,078,933

See accompanying Independent Auditors' Report.

Town of North Stonington Annual Report 2015-2016

TOWN OF NORTH STONINGTON, CONNECTICUT LOCIP FUNDS SUMMARY OF PROJECT BUDGETS - CASH BASIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2016

	Beginning Balance	Transfers	Funds Budgeted	Total Available	Total Expended	Monies Received	Pending Receipt *	Ending Balance
Projects approved by the state:								
Northwest Corner Road	\$ 2,236	\$ (2,236)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total approved by the state	<u>2,236</u>	<u>(2,236)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Projects not approved by the state:								
Uncommitted	47,405	2,236	49,000	98,641	-	-	-	98,641
Total not approved by the state	<u>47,405</u>	<u>2,236</u>	<u>49,000</u>	<u>98,641</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>98,641</u>
Total	<u>\$ 49,641</u>	<u>\$ -</u>	<u>\$ 49,000</u>	<u>\$ 98,641</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,641</u>

* Application submitted to State of Connecticut for reimbursement.

See accompanying Independent Auditors' Report.

Town of North Stonington Annual Report 2015-2016

BOARD OF EDUCATION SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts			Actual	Variance With Final Budget Positive (Negative)
	Original	Transfers	Final		
Salaries:					
Central office	\$ 622,654	\$ -	\$ 622,654	\$ 627,115	\$ (4,461)
Administrators	359,871	-	359,871	359,871	-
Teachers	5,877,647	(3,636)	5,874,011	5,783,556	90,455
Guidance	114,761	-	114,761	115,846	(1,085)
Secretarial	157,590	-	157,590	157,012	578
Teacher assistants	304,314	-	304,314	297,800	6,514
Library/media	122,819	-	122,819	122,819	-
Custodial/grounds	339,147	51,306	390,453	415,326	(24,873)
Central office	95,290	-	95,290	78,481	16,809
Contracted services	65,000	2,234	67,234	66,260	974
Text books	24,775	-	24,775	31,075	(6,300)
Library books	13,700	-	13,700	18,418	(4,718)
Instructional supplies	146,141	2,620	148,761	140,162	8,599
Other expenses, schools	157,274	22,317	179,591	163,259	16,332
Supplies, health	4,000	(756)	3,244	3,244	-
Transportation	1,013,125	296	1,013,421	898,054	115,367
Heat	112,000	-	112,000	82,774	29,226
Utilities	186,595	-	186,595	191,735	(5,140)
Custodial supplies	90,500	-	90,500	77,536	12,964
Postage	9,208	-	9,208	8,825	383
Maintenance services	363,240	-	363,240	273,356	89,884
Lease of equipment	37,983	-	37,983	36,083	1,900
Replacement of equipment	108,217	2,421	110,638	232,328	(121,690)
Social security	211,039	-	211,039	203,133	7,906
Employee benefits	1,626,922	-	1,626,922	1,646,455	(19,533)
Employee retirement	99,795	-	99,795	96,815	2,980
Student activities	101,596	-	101,596	92,461	9,135
Equipment	94,595	9,363	103,958	279,756	(175,798)
Tuition	299,304	(86,165)	213,139	201,651	11,488
Total expenditures	\$ 12,759,102	\$ -	\$ 12,759,102	\$ 12,701,206	\$ 57,896

See accompanying Independent Auditors' Report.

Town of North Stonington Annual Report 2015-2016

TOWN OF NORTH STONINGTON, CONNECTICUT STATEMENT OF DEBT LIMITATION CONNECTICUT GENERAL STATUTES SECTION 7-374(b) FOR THE YEAR ENDED JUNE 30, 2016

Total tax collections including interest and lien fees for the year ended June 30, 2016	\$ 13,826,930				
Reimbursement for revenue loss on:					
Tax Relief for Elderly (CGS 12-129d)	39,748				
Base	<u>\$ 13,866,678</u>				
		General	Schools	Sewers	Urban Renewal
Debt Limitation:					Pension Deficit
2 1/4 times base		\$ 31,200,026	\$ 62,400,051	\$ 52,000,043	\$ -
4 1/2 times base					
3 3/4 times base				52,000,043	
3 1/4 times base					45,066,704
3 times base					<u>41,600,034</u>
Total debt limitation		<u>31,200,026</u>	<u>62,400,051</u>	<u>52,000,043</u>	<u>41,600,034</u>
Indebtedness:					
General obligation serial note	246,500		-	53,500	-
Bond anticipation notes payable	2,000,000		-	-	-
Authorized but unissued	5,950,000		-	-	-
Total indebtedness	<u>8,196,500</u>		<u>-</u>	<u>53,500</u>	<u>-</u>
Debt limitation in excess of outstanding and authorized debt		<u>\$ 23,003,526</u>	<u>\$ 62,400,051</u>	<u>\$ 51,946,543</u>	<u>\$ 45,066,704</u>
					<u>\$ 41,600,034</u>

NOTE: In no case shall total indebtedness exceed seven times annual receipts from taxation.

See accompanying Independent Auditors' Report.

Town of North Stonington Annual Report 2015-2016

TOWN OF NORTH STONINGTON, CONNECTICUT

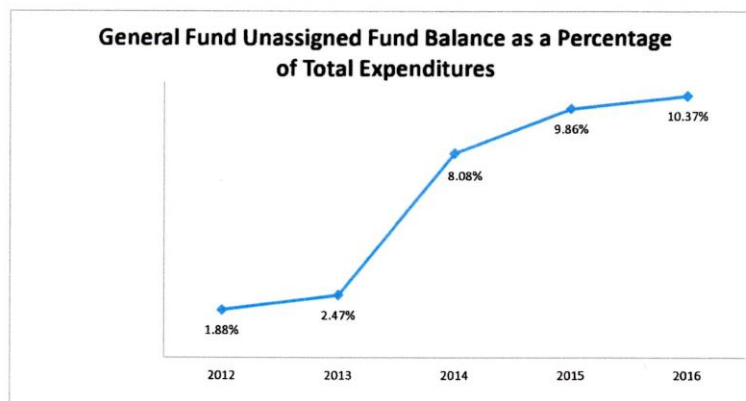
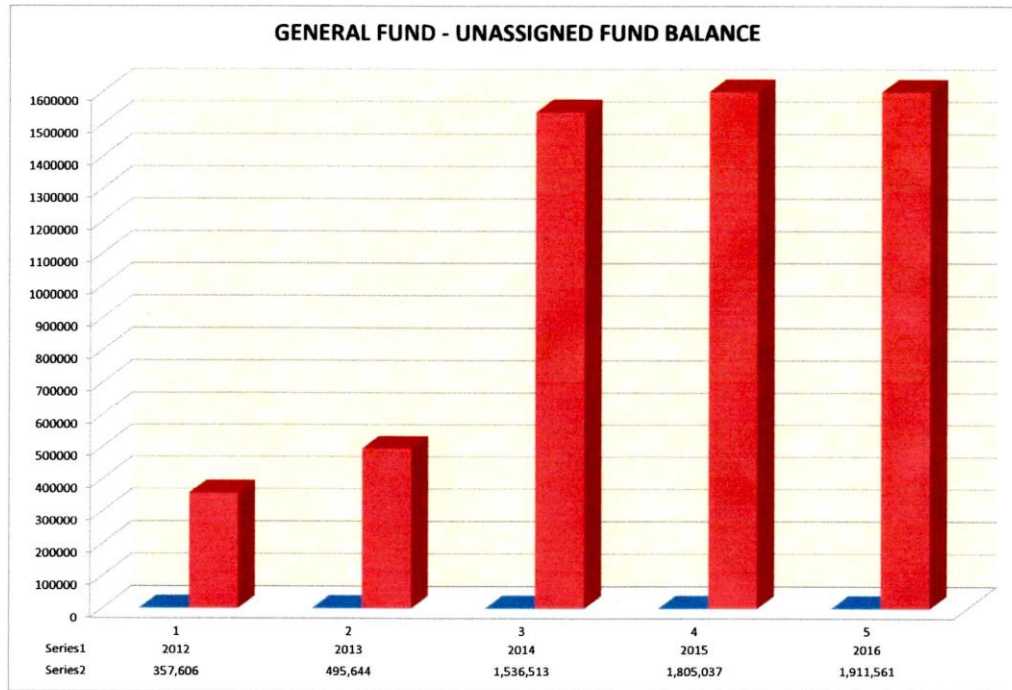
REPORT OF THE TAX COLLECTOR FOR THE YEAR ENDED JUNE 30, 2016

Grand List October 1,	Taxes		Lawful Corrections		Suspense Transfers	Adjusted Taxes Receivable	Collections		Taxes Receivable June 30, 2016
	Receivable July 1, 2015		Additions	Deductions			Taxes	Interest and Liens	
								Total	
2014	\$ 13,922,276	\$ 3,810	\$ 36,286	\$ -	\$ 13,889,800	\$ 13,532,089	\$ 45,513	\$ 13,577,602	\$ 357,711
2013	342,416	614	2,081	-	340,949	138,853	28,979	167,832	202,096
2012	86,696	152	1,493	-	85,355	43,923	9,502	53,425	41,432
2011	40,313	541	-	-	40,854	4,351	2,020	6,371	36,503
2010	33,516	-	-	-	33,516	5,173	5,079	10,252	28,343
2009	30,531	-	-	-	30,531	4,666	2,079	6,745	25,865
2008	21,826	53	-	-	21,879	2,735	1,968	4,703	19,144
2007	2,571	-	-	-	2,571	-	-	-	2,571
2006	2,292	-	-	-	2,292	-	-	-	2,292
2005	2,281	-	-	-	2,281	-	-	-	2,281
2004	1,225	-	-	-	1,225	-	-	-	1,225
2003	1,029	-	-	-	1,029	-	-	-	1,029
2002	955	-	-	-	955	-	-	-	955
2001	1,047	-	-	-	1,047	-	-	-	1,047
2000	1,027	-	-	-	1,027	-	-	-	1,027
	\$ 14,490,001	\$ 5,170	\$ 39,860	\$ -	\$ 14,455,311	\$ 13,731,790	\$ 95,140	\$ 13,826,930	\$ 723,521

See accompanying Independent Auditors' Report.

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